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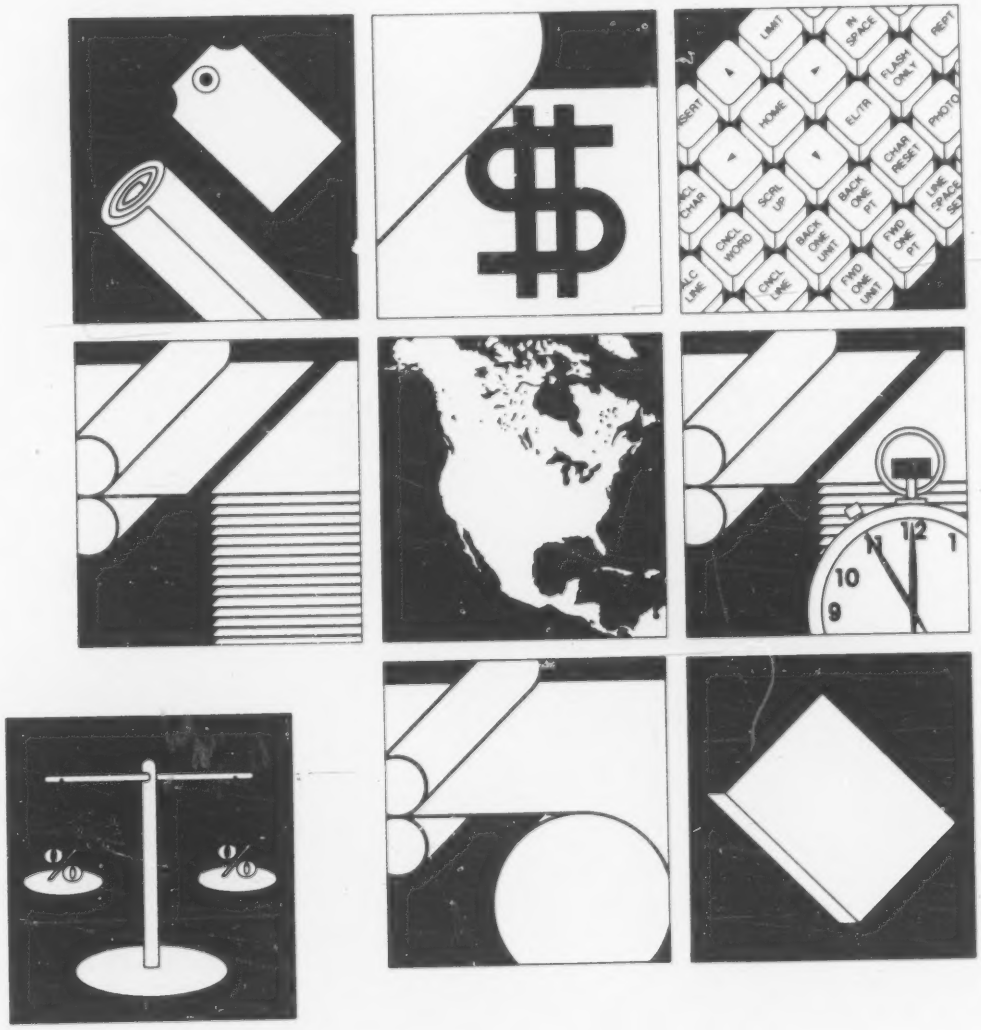
PIA INC

FINANCIAL SERVICES

# 1985 Financial Ratio Study




## Volume VIII

## Combination Offset—Sheetfed/Web

**ABOUT PIA...**

Printing Industries of America, Inc., is a federation of national, regional, state, and city associations composed of over 12,000 graphic arts firms. PIA and its affiliated associations comprise the largest trade association in the world dedicated to serving the interests of the graphic arts community. Membership in one of PIA's Affiliated Associations automatically entitles an organization PIA membership.

PIA's Financial Services offers the following products and services:

- PrintFinance: PIA in conjunction with Merrill Lynch brings you an innovative, comprehensive financial package called PrintFinance, available only from PIA Financial Services. PrintFinance is a unique competitively priced financial services package developed especially for the printing industry and allied graphic arts firms.
- The Annual PIA Financial Ratio Study - A Multinational Financial Survey
- Money Manager - A Monthly Financial newsletter with an exclusive print activity forecast: PrintOutlook
- Reprints of "Economics and Financial Management" articles from issues of PIA Management News
- Financial Management/Investment Banking Seminars
- Production Profit Target Program: production guidelines for sheetfed presses, web presses, bindery, and prepress equipment

For further information, contact:

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PIA's Education and Publication Services is active in financial management, offering numerous publications on the subject:

- Best & Worst Markets for Printers in the 1980's (a unique marketing and financial planning aid, available by subscription directly from PIA)
- Cost Accounting for the Job Order Printer
- Graphic Arts Estimating, Volume I
- Money Making Guide to Printing Estimating, revised edition
- Running in the Black: Six Steps to Managing Printing Profitability
- Sales Compensation in the Printing Industry - 1983
- Simplified Cost System
- Tax Planning for Your Graphic Arts Business
- Understanding Value Added
- Value Added Financial Management: A Guide for Printers
- 1981–82 Production Management Compensation Survey
- 1983 Survey of Sales Management: Practices and Compensation

Members may obtain these books through their PIA Affiliated Associations' Graphic Arts Bookstores, or by calling 1-800/PIA-DATA. Available free upon request from PIA is PrintCatalog, a comprehensive listing of all the publications and programs offered by all components of PIA. For further information about how to order or about the contents of publications, contact:

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# Volume VIII: Combination Offset—Sheetfed/Web

**An Annual Financial Survey Conducted By:**
**PIA Financial Services**
**1730 North Lynn Street**
**Arlington, VA 22209**

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# PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-4805

Dear Colleague:

1985 is the 62nd year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the graphic arts industries in the U.S., Canada, and throughout the world. In addition, it allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the industry as a whole, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

Please refer your questions on the PIA Ratio Study to your nearest local PIA affiliated association or to me at the address above.

William A. Rose, II
Director, PIA Financial Services

Dear Member of the Graphic Arts Community:

In the accompanying pages are the 1985 PIA FINANCIAL RATIOS FOR COMBINATION OFFSET-SHEETFED/WEB PRINTERS. This Ratio Study was developed on the basis of questionnaires volunteered by 102 firms and presents the ratios and statistics of Combination Offset-Sheetfed/Web Printers by sales volume, by product, and by percentage of web sales. Because many participants produce substantially even percentages of sheetfed and web sales, they have difficulty classifying themselves strictly as a sheetfed or web printer. This volume gives recognition to that problem.

Thus the user of the report can direct himself to the standards for his sales size — for example, sales to $1.5 million, sales from $1.5 to $5 million, etc.; product specialty — for example, Commercial and Advertising, Magazine and Periodical, etc.; and percentage of web sales — for example, 11% to 21%, 21% to 41%, etc. Readers can compare the data from their own firm's financial statements with similar data from other firms in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts, and Return on Investment.

We strongly believe in the importance of sharing this type of information among members of the graphic arts community and are proud to have played a role in these studies.

H.R. Margolis Company
Certified Public Accountants
Bala Cynwyd, Pennsylvania

# TABLE OF CONTENTS


| | Page Number |
|---|---|
| FOREWORD | 2 |
| VALUE ADDED—WHAT IT MEANS TO YOU | 4–5 |
| CHAPTER 1—BY SIZE OF FIRM | 6–19 |
| Report on Operations - Value Added = 100% | 6–7 |
| Supporting Schedules - Value Added = 100% | 8–9 |
| Report on Operations - Sales = 100% | 10–11 |
| Supporting Schedules - Sales = 100% | 10–13 |
| Balance Sheet | 14–15 |
| Significant Facts | 16–17 |
| Return on Investment - Per $100 of Sales | 18–19 |
| CHAPTER 2—BY PRODUCT SPECIALTY | 20–33 |
| Report on Operations - Value Added = 100% | 20–21 |
| Supporting Schedules - Value Added = 100% | 22–23 |
| Report on Operations - Sales = 100% | 24–25 |
| Supporting Schedules - Sales = 100% | 24–27 |
| Balance Sheet | 28–29 |
| Significant Facts | 30–31 |
| Return on Investment - Per $100 of Sales | 32–33 |
| CHAPTER 3—BY PERCENTAGE OF WEB SALES | 34–47 |
| Report on Operations - Value Added = 100% | 34–35 |
| Supporting Schedules - Value Added = 100% | 36–37 |
| Report on Operations - Sales = 100% | 38–39 |
| Supporting Schedules - Sales = 100% | 38–41 |
| Balance Sheet | 42–43 |
| Significant Facts | 44–45 |
| Return on Investment - Per $100 of Sales | 46–47 |
| ABSOLUTE DATA | 48 |


Dear Colleague:

1985 is the third year in which the annual PIA Financial Ratio Study has analyzed combination offset sheetfed/web plants — printing firms whose sales volume is composed of more than 20% web and more than 20% sheetfed jobs. Within the context of the PIA Financial Ratio Study, printers with less than 20% of sales made up of web jobs are classified as sheetfed printers; more then 80% web are classified as either web heatset or non-heatset printers. These particular printing operations are examined in Volumes V, VI, and VII of the study, respectively.

PIA's goal is to serve the needs of the printing industry; we are pleased at the response to this new part of the annual PIA Financial Ratio Study.

William A. Rose, II
Director, PIA Financial Services

## VALUE ADDED DEFINED

Value added is a technical term for sales of a company's own manufacture. It is calculated as sales less material costs and outside services.

| | | |
|---|---|---|
| Sales | | $100.00 |
| Less: Materials | | |
| Paper | $ 23.00 | |
| Other chargeable materials | 5.00 | |
| Outside services | 8.00 | 36.00 |
| Value Added | | $ 64.00 |

Material costs include paper and other chargeable materials such as ink, film, plates etc., but not general supplies or the repair and maintenance of equipment. Outside services are purchases of job-related services - composition, offset preparation, printing, bindery, etc.

Value added financial management is based on a fundamental principle of accounting: Profit is achieved from sales of a company's own manufacture. Time and time again, when printing companies show high sales but low profits, the root of the problem is in the failure to pay attention to the relationship between value added and profit performance.

## VALUE ADDED AND PROFITS

Since value added is sales less materials costs, it becomes a critical factor in paying your remaining expenses - expenses such as factory labor, other factory expenses, administrative expenses, selling expenses, and interest.

What is left is profit.

All sales do not contribute equally to fixed costs and profits. There are "good sales" and "better sales." Good sales are sales that require more than an average amount of materials and outside services. As a result, they have less value added with which to cover fixed costs and to produce a profit. They are called "good sales" simply because there are no "bad sales" in the printing industry.

Better sales require fewer materials and more inside sales - sales of your company's own manufacture. This type of sale generously covers overhead and pays more dollars into profits. Printing firms that follow value added financial management procedures do all work inside unless they cannot avoid sending it out.

A VALUE ADDED STATEMENT OF OPERATIONS

In keeping with the value added concept, operating statements are more meaningful when prepared on the basis of inside sales. In this type of presentation management starts its financial analysis with value added instead of the sales column. This eliminates the distortion introduced by material costs. For example, in comparing percentages based on sales of a short-run, sheet-fed company and a web offset firm, we could be faced with a significant difference in ratios because of differences in material costs. Although it would appear that the web offset operation had a lower factory labor cost because a substantial amount of its sales were materials, this might, in fact, not be the case at all. Instead, the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

| | COMPANY S SHEET-FED | | COMPANY W WEB-FED | |
|---|---|---|---|---|
| | | % OF SALES | | % OF SALES |
| SALES | $1,000,000 | 100.00% | $1,000,000 | 100.00% |
| MATERIALS | | | | |
| Paper | 197,300 | 19.73 | 387,900 | 38.79 |
| Other chargeable materials | 42,800 | 4.28 | 35,000 | 3.50 |
| Outside services | 87,900 | 8.79 | 30,000 | 3.00 |
| | 328,000 | 32.80 | 452,900 | 45.29 |
| | | % OF VALUE ADDED | | % OF VALUE ADDED |
| VALUE ADDED | 672,000 | 100.00% | 547,100 | 100.00% |
| FACTORY PAYROLL | 241,800 | 35.98 | 177,500 | 32.44 |
| FACTORY EXPENSES | 121,800 | 18.13 | 101,300 | 18.52 |
| | 363,600 | 54.11 | 278,800 | 50.96 |
| GROSS PROFIT | 308,400 | 45.89 | 268,300 | 49.04 |
| SELLING AND ADMINISTRATIVE EXPENSES | 187,500 | 27.90 | 141,700 | 25.90 |
| INCOME BEFORE INTEREST EXPENSE | 120,900 | 17.99 | 126,600 | 23.14 |
| Interest expense | 18,300 | 2.72 | 7,900 | 1.44 |
| OPERATING INCOME | 102,600 | 15.27 | 118,700 | 21.70 |
| Other income | 10,200 | 1.52 | 16,200 | 2.96 |
| INCOME BEFORE INCOME TAXES | $ 112,800 | 16.79% | $ 134,900 | 24.66% |

The point is that every company's product mix is different, and by using statements of operations based on value added, this product mix difference is eliminated. Consequently, value added is a better statement with which to evaluate your operations.

REPORT ON OPERATIONS - VALUE ADDED = 100%

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS* | ALL FIRMS |
| SALES OR VALUE OF PRODUCT PRODUCED | X | X | X |
| LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES | X | X | X |
| VALUE ADDED BY MANUFACTURE | 100.00% | 100.00% | 100.00% |
| FACTORY PAYROLL | 43.30 | 37.45 | 40.91 |
| FACTORY EXPENSES | 20.94 | 20.18 | 23.57 |
| TOTAL FACTORY COST OF PRODUCT | 64.24 | 57.63 | 64.48 |
| GROSS PROFIT | 35.76 | 42.37 | 35.52 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | |
| Administrative expenses | 12.98 | 10.89 | 18.74 |
| Selling expenses | 12.50 | 10.83 | 10.46 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 25.48 | 21.72 | 29.20 |
| INCOME BEFORE INTEREST EXPENSE | 10.28 | 20.65 | 6.32 |
| Interest expense | 3.45 | 1.89 | 3.82 |
| OPERATING INCOME | 6.83 | 18.76 | 2.50 |
| Other income | 1.26 | 1.54 | 2.78 |
| INCOME BEFORE INCOME TAXES | 8.09 | 20.30 | 5.28 |

* See page 10 for the definition of "Profit Leaders".
** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| X | X | X | X | X | X | X | X |
| X | X | X | X | X | X | X | X |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| 42.44 | 37.05 | 42.13 | 36.83 | 48.07 | 41.74 | 40.10 | 35.55 |
| 20.63 | 20.28 | 21.66 | 20.23 | 20.32 | 19.86 | 19.84 | 20.30 |
| 63.07 | 57.33 | 63.79 | 57.06 | 68.39 | 61.60 | 59.94 | 55.85 |
| 36.93 | 42.67 | 36.21 | 42.94 | 31.61 | 38.40 | 40.06 | 44.15 |
| 14.27 | 12.96 | 13.58 | 13.27 | 10.16 | 7.85 | 9.78 | 7.46 |
| 12.63 | 8.40 | 12.17 | 11.04 | 13.22 | 14.94 | 12.53 | 10.46 |
| 26.90 | 21.36 | 25.75 | 24.31 | 23.38 | 22.79 | 22.31 | 17.92 |
| 10.03 | 21.31 | 10.46 | 18.63 | 8.23 | 15.61 | 17.75 | 26.23 |
| 3.45 | 2.74 | 3.77 | 1.86 | 3.23 | 1.02 | 2.85 | 1.43 |
| 6.58 | 18.57 | 6.69 | 16.77 | 5.00 | 14.59 | 14.90 | 24.80 |
| 1.01 | 0.88 | 1.29 | 2.50 | 1.44 | 1.38 | 0.80 | 0.33 |
| 7.59 | 19.45 | 7.98 | 19.27 | 6.44 | 15.97 | 15.70 | 25.13 |

SUPPORTING SCHEDULES - VALUE ADDED = 100%

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| FACTORY PAYROLL | | | |
| Salaries - executive | 3.12% | 2.85% | 4.04% |
| Direct wages | 29.00 | 25.08 | 30.99 |
| General factory salaries and wages | 2.95 | 2.69 | 0.12 |
| Packing, shipping and delivery wages | 1.57 | 1.14 | 0.76 |
| Payroll taxes | 2.83 | 2.31 | 2.61 |
| Employee benefits | 3.83 | 3.38 | 2.39 |
| TOTAL FACTORY PAYROLL | 43.30 | 37.45 | 40.91 |
| FACTORY EXPENSES | | | |
| Fixed Expenses | | | |
| Depreciation - real estate | 0.62 | 0.69 | 1.15 |
| Depreciation - other | 5.30 | 5.36 | 6.55 |
| Taxes - real estate | 0.34 | 0.31 | 0.29 |
| Taxes - other | 0.30 | 0.26 | 0.41 |
| Insurance | 0.56 | 0.48 | 1.16 |
| Building rent | 1.55 | 1.34 | 2.09 |
| Utilities - heat, light, etc. | 2.17 | 2.05 | 1.98 |
| Equipment rental | 0.85 | 0.81 | 0.93 |
| Total Fixed Expenses | 11.69 | 11.30 | 14.56 |
| Other Expenses | | | |
| Factory supplies and expense | 3.48 | 3.67 | 3.28 |
| Packing, shipping and delivery expense | 1.81 | 1.72 | 1.38 |
| Repairs and maintenance | 2.81 | 2.85 | 2.69 |
| Other factory expenses | 1.15 | 0.64 | 1.66 |
| Total Other Expenses | 9.25 | 8.88 | 9.01 |
| TOTAL FACTORY EXPENSES | 20.94 | 20.18 | 23.57 |
| ADMINISTRATIVE EXPENSES | | | |
| Salaries - executive | 3.53 | 2.99 | 7.94 |
| Salaries - office | 3.22 | 2.59 | 4.01 |
| Payroll taxes | 0.43 | 0.37 | 0.81 |
| Employee benefits | 0.74 | 0.54 | 0.67 |
| Bad debts | 0.90 | 0.53 | 0.48 |
| Office supplies and expenses | 0.67 | 0.71 | 1.38 |
| Professional fees | 0.74 | 0.86 | 0.58 |
| Taxes - business | 0.21 | 0.21 | 0.28 |
| Telephone | 0.65 | 0.66 | 0.67 |
| Other administrative expenses | 1.89 | 1.43 | 1.92 |
| TOTAL ADMINISTRATIVE EXPENSES | 12.98 | 10.89 | 18.74 |
| SELLING EXPENSES | | | |
| Salaries - executive | 1.78 | 1.99 | 3.79 |
| Salaries and commissions - salesmen | 6.13 | 4.43 | 2.75 |
| Salaries - sales office clerical | 0.83 | 0.91 | 0.62 |
| Payroll taxes | 0.45 | 0.42 | 0.56 |
| Employee benefits | 0.54 | 0.53 | 0.42 |
| Advertising | 0.47 | 0.32 | 0.56 |
| Travel and entertainment | 1.18 | 0.97 | 1.02 |
| Other selling expenses | 1.12 | 1.26 | 0.74 |
| TOTAL SELLING EXPENSES | 12.50 | 10.83 | 10.46 |

** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 3.11% | 2.70% | 2.92% | 4.03% | 3.05% | 2.05% | 3.38% | 2.32% |
| 28.36 | 24.05 | 28.36 | 25.29 | 31.35 | 27.26 | 26.48 | 24.05 |
| 2.89 | 3.77 | 2.68 | 1.76 | 4.16 | 4.07 | 2.78 | 1.85 |
| 1.95 | 1.47 | 1.38 | 0.91 | 1.52 | 0.54 | 1.34 | 1.54 |
| 2.58 | 1.75 | 3.04 | 2.58 | 3.20 | 3.34 | 2.44 | 2.01 |
| 3.55 | 3.31 | 3.75 | 2.26 | 4.79 | 4.48 | 3.68 | 3.78 |
| 42.44 | 37.05 | 42.13 | 36.83 | 48.07 | 41.74 | 40.10 | 35.55 |
| 0.78 | 1.17 | 0.40 | 0.42 | 0.55 | 0.54 | 0.50 | 0.56 |
| 4.68 | 4.03 | 5.75 | 6.64 | 5.51 | 5.73 | 5.03 | 5.94 |
| 0.28 | 0.20 | 0.38 | 0.41 | 0.38 | 0.30 | 0.33 | 0.43 |
| 0.16 | 0.16 | 0.37 | 0.48 | 0.48 | 0.35 | 0.12 | 0.09 |
| 0.65 | 0.51 | 0.51 | 0.69 | 0.40 | 0.27 | 0.37 | 0.41 |
| 2.01 | 1.54 | 1.37 | 0.34 | 1.14 | 2.45 | 1.03 | 0.76 |
| 1.77 | 1.54 | 2.38 | 2.35 | 2.36 | 1.83 | 2.67 | 2.45 |
| 1.10 | 1.79 | 0.94 | 0.01 | 0.51 | 0.14 | 0.46 | 0.59 |
| 11.43 | 10.94 | 12.10 | 11.34 | 11.33 | 11.66 | 10.51 | 11.23 |
| 2.77 | 3.81 | 3.82 | 4.05 | 3.61 | 2.74 | 4.85 | 3.73 |
| 2.30 | 2.15 | 2.20 | 2.19 | 1.03 | 1.28 | 1.08 | 1.43 |
| 3.07 | 2.82 | 2.41 | 2.18 | 3.04 | 3.45 | 2.59 | 3.06 |
| 1.06 | 0.56 | 1.13 | 0.47 | 1.31 | 0.73 | 0.81 | 0.85 |
| 9.20 | 9.34 | 9.56 | 8.89 | 8.99 | 8.20 | 9.33 | 9.07 |
| 20.63 | 20.28 | 21.66 | 20.23 | 20.32 | 19.86 | 19.84 | 20.30 |
| 4.08 | 3.54 | 3.32 | 4.31 | 2.44 | 2.36 | 1.93 | 1.51 |
| 3.34 | 3.48 | 3.64 | 2.40 | 2.48 | 1.51 | 2.87 | 2.26 |
| 0.47 | 0.40 | 0.49 | 0.49 | 0.27 | 0.26 | 0.32 | 0.25 |
| 0.83 | 0.78 | 0.74 | 0.27 | 0.67 | 0.48 | 0.64 | 0.49 |
| 0.97 | 0.44 | 1.27 | 1.15 | 0.67 | 0.49 | 0.41 | 0.28 |
| 0.76 | 0.68 | 0.64 | 0.99 | 0.43 | 0.58 | 0.57 | 0.57 |
| 0.82 | 0.77 | 0.86 | 1.72 | 0.61 | 0.54 | 0.50 | 0.35 |
| 0.23 | 0.22 | 0.09 | 0.14 | 0.38 | 0.43 | 0.11 | 0.15 |
| 0.76 | 0.88 | 0.66 | 0.71 | 0.49 | 0.54 | 0.56 | 0.49 |
| 2.01 | 1.77 | 1.87 | 1.09 | 1.72 | 0.66 | 1.87 | 1.11 |
| 14.27 | 12.96 | 13.58 | 13.27 | 10.16 | 7.85 | 9.78 | 7.46 |
| 1.52 | 2.03 | 2.25 | 2.83 | 1.21 | 1.00 | 1.49 | 1.08 |
| 6.84 | 3.33 | 5.69 | 4.85 | 6.31 | 4.76 | 6.51 | 5.76 |
| 0.70 | 0.86 | 0.67 | 0.55 | 1.19 | 0.81 | 0.98 | 0.77 |
| 0.45 | 0.35 | 0.44 | 0.45 | 0.42 | 0.41 | 0.43 | 0.36 |
| 0.49 | 0.53 | 0.46 | 0.35 | 0.76 | 0.62 | 0.56 | 0.54 |
| 0.50 | 0.42 | 0.46 | 0.17 | 0.42 | 0.33 | 0.41 | 0.29 |
| 1.12 | 0.53 | 1.39 | 1.53 | 1.09 | 1.35 | 1.16 | 1.03 |
| 1.01 | 0.35 | 0.81 | 0.31 | 1.82 | 5.66 | 0.99 | 0.63 |
| 12.63 | 8.40 | 12.17 | 11.04 | 13.22 | 14.94 | 12.53 | 10.46 |

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - SALES = 100%

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS* | ALL FIRMS |
| SALES OR VALUE OF PRODUCT PRODUCED | 100.00% | 100.00% | 100.00% |
| FACTORY COST OF PRODUCT | | | |
| MATERIALS | | | |
| Paper | 28.51 | 27.69 | 22.71 |
| Other chargeable materials | 5.07 | 6.19 | 3.40 |
| Outside services | 7.41 | 7.03 | 9.86 |
| TOTAL MATERIALS | 40.99 | 40.91 | 35.97 |
| FACTORY PAYROLL | 25.64 | 22.35 | 26.16 |
| FACTORY EXPENSES | 12.33 | 11.95 | 14.98 |
| TOTAL FACTORY COST OF PRODUCT | 78.96 | 75.21 | 77.11 |
| GROSS PROFIT | 21.04 | 24.79 | 22.89 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | |
| Administrative expenses | 7.67 | 6.55 | 11.88 |
| Selling expenses | 7.42 | 6.44 | 6.79 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 15.09 | 12.99 | 18.67 |
| INCOME BEFORE INTEREST EXPENSE | 5.95 | 11.80 | 4.22 |
| Interest expense | 2.01 | 1.12 | 2.36 |
| OPERATING INCOME | 3.94 | 10.68 | 1.86 |
| Other income | 0.78 | 1.05 | 1.75 |
| INCOME BEFORE INCOME TAXES | 4.72 | 11.73 | 3.61 |

SUPPORTING SCHEDULES - SALES = 100%

| | | | |
|---|---|---|---|
| OTHER CHARGEABLE MATERIALS | | | |
| Ink | 1.94% | 2.14% | 1.06% |
| Film | 1.03 | 0.82 | 1.02 |
| Plates | 1.08 | 1.21 | 0.67 |
| Other chargeable materials | 1.02 | 2.02 | 0.65 |
| TOTAL OTHER CHARGEABLE MATERIALS | 5.07 | 6.19 | 3.40 |
| OUTSIDE SERVICES | | | |
| Composition | 0.85 | 1.06 | 0.22 |
| Offset preparation | 0.93 | 0.66 | 0.48 |
| Printing | 1.42 | 0.75 | 3.28 |
| Binding | 2.07 | 1.31 | 0.83 |
| Other outside services | 2.14 | 3.25 | 5.05 |
| TOTAL OUTSIDE SERVICES | 7.41 | 7.03 | 9.86 |

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| 27.80 | 28.01 | 29.93 | 26.08 | 29.80 | 27.48 | 27.54 | 28.74 |
| 4.34 | 4.62 | 4.63 | 5.70 | 5.69 | 4.32 | 8.48 | 10.18 |
| 7.37 | 7.95 | 7.34 | 5.37 | 6.13 | 6.25 | 9.23 | 8.62 |
| 39.51 | 40.58 | 41.90 | 37.15 | 41.62 | 38.05 | 45.25 | 47.54 |
| 25.66 | 21.99 | 24.67 | 23.63 | 28.17 | 25.94 | 22.14 | 18.88 |
| 12.44 | 11.96 | 12.52 | 12.61 | 11.80 | 12.28 | 11.02 | 10.95 |
| 77.61 | 74.53 | 79.09 | 73.39 | 81.59 | 76.27 | 78.41 | 77.37 |
| 22.39 | 25.47 | 20.91 | 26.61 | 18.41 | 23.73 | 21.59 | 22.63 |
| 8.64 | 7.77 | 7.81 | 8.24 | 5.90 | 4.86 | 5.48 | 4.03 |
| 7.83 | 5.18 | 6.98 | 6.72 | 7.71 | 9.23 | 6.87 | 5.47 |
| 16.47 | 12.95 | 14.79 | 14.96 | 13.61 | 14.09 | 12.35 | 9.50 |
| 5.92 | 12.52 | 6.12 | 11.65 | 4.80 | 9.64 | 9.24 | 13.13 |
| 2.07 | 1.61 | 2.12 | 1.20 | 1.87 | 0.64 | 1.59 | 0.74 |
| 3.85 | 10.91 | 4.00 | 10.45 | 2.93 | 9.00 | 7.65 | 12.39 |
| 0.61 | 0.58 | 0.85 | 1.73 | 0.80 | 0.85 | 0.50 | 0.28 |
| 4.46 | 11.49 | 4.85 | 12.18 | 3.73 | 9.85 | 8.15 | 12.67 |
| 1.36% | 1.38% | 1.75% | 1.00% | 2.65% | 1.82% | 3.46% | 4.26% |
| 1.07 | 1.10 | 0.90 | 0.51 | 1.18 | 0.73 | 1.03 | 0.84 |
| 1.07 | 1.12 | 1.13 | 1.55 | 1.18 | 1.57 | 1.04 | 1.15 |
| 0.84 | 1.02 | 0.85 | 2.64 | 0.68 | 0.20 | 2.95 | 3.93 |
| 4.34 | 4.62 | 4.63 | 5.70 | 5.69 | 4.32 | 8.48 | 10.18 |
| 1.37 | 2.35 | 1.00 | 0.19 | 0.21 | 0.00 | 0.57 | 0.09 |
| 0.58 | 0.63 | 0.98 | 1.76 | 1.73 | 2.09 | 0.44 | 0.03 |
| 2.01 | 1.05 | 0.99 | 0.40 | 0.95 | 0.60 | 0.78 | 0.71 |
| 1.36 | 0.74 | 2.66 | 1.47 | 2.26 | 2.65 | 2.95 | 2.16 |
| 2.05 | 3.18 | 1.71 | 1.55 | 0.98 | 0.91 | 4.49 | 5.63 |
| 7.37 | 7.95 | 7.34 | 5.37 | 6.13 | 6.25 | 9.23 | 8.62 |

CHAPTER 1 - BY SIZE OF FIRM

SUPPORTING SCHEDULES - SALES = 100%

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| FACTORY PAYROLL | | | |
| Salaries - executive | 1.85% | 1.70% | 2.55% |
| Direct wages | 17.15 | 14.97 | 19.90 |
| General factory salaries and wages | 1.77 | 1.59 | 0.08 |
| Packing, shipping and delivery wages | 0.91 | 0.65 | 0.46 |
| Payroll taxes | 1.69 | 1.40 | 1.65 |
| Employee benefits | 2.27 | 2.04 | 1.52 |
| TOTAL FACTORY PAYROLL | 25.64 | 22.35 | 26.16 |
| FACTORY EXPENSES | | | |
| Fixed Expenses | | | |
| Depreciation - real estate | 0.36 | 0.38 | 0.67 |
| Depreciation - other | 3.10 | 3.22 | 4.15 |
| Taxes - real estate | 0.20 | 0.18 | 0.19 |
| Taxes - other | 0.18 | 0.16 | 0.25 |
| Insurance | 0.33 | 0.30 | 0.71 |
| Building rent | 0.92 | 0.83 | 1.36 |
| Utilities - heat, light, etc. | 1.27 | 1.23 | 1.25 |
| Equipment rental | 0.52 | 0.47 | 0.61 |
| Total Fixed Expenses | 6.88 | 6.77 | 9.19 |
| Other Expenses | | | |
| Factory supplies and expense | 2.07 | 2.14 | 2.12 |
| Packing, shipping and delivery expense | 1.04 | 0.98 | 0.86 |
| Repairs and maintenance | 1.66 | 1.68 | 1.74 |
| Other factory expenses | 0.68 | 0.38 | 1.07 |
| Total Other Expenses | 5.45 | 5.18 | 5.79 |
| TOTAL FACTORY EXPENSES | 12.33 | 11.95 | 14.98 |
| ADMINISTRATIVE EXPENSES | | | |
| Salaries - executive | 2.11 | 1.82 | 4.98 |
| Salaries - office | 1.90 | 1.56 | 2.56 |
| Payroll taxes | 0.26 | 0.22 | 0.51 |
| Employee benefits | 0.44 | 0.33 | 0.42 |
| Bad debts | 0.51 | 0.31 | 0.30 |
| Office supplies and expenses | 0.40 | 0.42 | 0.91 |
| Professional fees | 0.43 | 0.52 | 0.38 |
| Taxes - business | 0.12 | 0.13 | 0.17 |
| Telephone | 0.38 | 0.40 | 0.42 |
| Other administrative expenses | 1.12 | 0.84 | 1.23 |
| TOTAL ADMINISTRATIVE EXPENSES | 7.67 | 6.55 | 11.88 |
| SELLING EXPENSES | | | |
| Salaries - executive | 1.06 | 1.20 | 2.42 |
| Salaries and commissions - salesmen | 3.63 | 2.58 | 1.82 |
| Salaries - sales office clerical | 0.49 | 0.56 | 0.41 |
| Payroll taxes | 0.27 | 0.25 | 0.35 |
| Employee benefits | 0.32 | 0.32 | 0.27 |
| Advertising | 0.28 | 0.19 | 0.36 |
| Travel and entertainment | 0.70 | 0.58 | 0.68 |
| Other selling expenses | 0.67 | 0.76 | 0.48 |
| TOTAL SELLING EXPENSES | 7.42 | 6.44 | 6.79 |

** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 1.89% | 1.53% | 1.68% | 2.57% | 1.80% | 1.25% | 1.87% | 1.27% |
| 17.06 | 14.32 | 16.61 | 16.32 | 18.33 | 16.92 | 14.59 | 12.65 |
| 1.85 | 2.24 | 1.60 | 1.10 | 2.43 | 2.55 | 1.51 | 0.93 |
| 1.14 | 0.85 | 0.81 | 0.57 | 0.88 | 0.34 | 0.72 | 0.79 |
| 1.56 | 1.03 | 1.78 | 1.65 | 1.91 | 2.07 | 1.38 | 1.13 |
| 2.16 | 2.02 | 2.19 | 1.42 | 2.82 | 2.81 | 2.07 | 2.11 |
| 25.66 | 21.99 | 24.67 | 23.63 | 28.17 | 25.94 | 22.14 | 18.88 |
| 0.46 | 0.60 | 0.24 | 0.26 | 0.33 | 0.35 | 0.27 | 0.31 |
| 2.82 | 2.51 | 3.32 | 4.10 | 3.15 | 3.56 | 2.80 | 3.27 |
| 0.17 | 0.12 | 0.22 | 0.26 | 0.22 | 0.19 | 0.17 | 0.23 |
| 0.09 | 0.09 | 0.22 | 0.33 | 0.28 | 0.23 | 0.07 | 0.05 |
| 0.39 | 0.31 | 0.28 | 0.46 | 0.23 | 0.17 | 0.22 | 0.23 |
| 1.22 | 0.94 | 0.77 | 0.24 | 0.66 | 1.49 | 0.60 | 0.43 |
| 1.08 | 0.93 | 1.38 | 1.50 | 1.37 | 1.14 | 1.48 | 1.34 |
| 0.70 | 1.04 | 0.54 | 0.01 | 0.32 | 0.09 | 0.24 | 0.29 |
| 6.93 | 6.54 | 6.97 | 7.16 | 6.56 | 7.22 | 5.85 | 6.15 |
| 1.71 | 2.23 | 2.21 | 2.47 | 2.14 | 1.66 | 2.70 | 1.94 |
| 1.33 | 1.22 | 1.24 | 1.29 | 0.60 | 0.80 | 0.58 | 0.75 |
| 1.83 | 1.63 | 1.43 | 1.41 | 1.75 | 2.13 | 1.43 | 1.65 |
| 0.64 | 0.34 | 0.67 | 0.28 | 0.75 | 0.47 | 0.46 | 0.46 |
| 5.51 | 5.42 | 5.55 | 5.45 | 5.24 | 5.06 | 5.17 | 4.80 |
| 12.44 | 11.96 | 12.52 | 12.61 | 11.80 | 12.28 | 11.02 | 10.95 |
| 2.51 | 2.10 | 1.94 | 2.74 | 1.44 | 1.48 | 1.05 | 0.80 |
| 2.01 | 2.12 | 2.11 | 1.49 | 1.43 | 0.94 | 1.64 | 1.25 |
| 0.28 | 0.24 | 0.28 | 0.30 | 0.16 | 0.16 | 0.18 | 0.14 |
| 0.50 | 0.47 | 0.42 | 0.17 | 0.38 | 0.30 | 0.36 | 0.27 |
| 0.58 | 0.25 | 0.68 | 0.70 | 0.39 | 0.30 | 0.22 | 0.12 |
| 0.47 | 0.43 | 0.37 | 0.57 | 0.25 | 0.36 | 0.32 | 0.31 |
| 0.49 | 0.47 | 0.48 | 1.04 | 0.36 | 0.33 | 0.28 | 0.20 |
| 0.13 | 0.15 | 0.05 | 0.09 | 0.21 | 0.26 | 0.06 | 0.08 |
| 0.46 | 0.54 | 0.38 | 0.45 | 0.28 | 0.33 | 0.31 | 0.27 |
| 1.21 | 1.00 | 1.10 | 0.69 | 1.00 | 0.40 | 1.06 | 0.59 |
| 8.64 | 7.77 | 7.81 | 8.24 | 5.90 | 4.86 | 5.48 | 4.03 |
| 0.93 | 1.26 | 1.28 | 1.66 | 0.71 | 0.61 | 0.82 | 0.58 |
| 4.25 | 2.07 | 3.26 | 3.02 | 3.64 | 2.95 | 3.51 | 2.90 |
| 0.43 | 0.52 | 0.39 | 0.33 | 0.71 | 0.52 | 0.54 | 0.42 |
| 0.28 | 0.21 | 0.25 | 0.27 | 0.25 | 0.25 | 0.25 | 0.20 |
| 0.30 | 0.32 | 0.26 | 0.21 | 0.45 | 0.39 | 0.32 | 0.31 |
| 0.32 | 0.25 | 0.27 | 0.11 | 0.24 | 0.21 | 0.23 | 0.17 |
| 0.68 | 0.33 | 0.80 | 0.93 | 0.64 | 0.83 | -0.64 | 0.57 |
| 0.64 | 0.22 | 0.47 | 0.19 | 1.07 | 3.47 | 0.56 | 0.32 |
| 7.83 | 5.18 | 6.98 | 6.72 | 7.71 | 9.23 | 6.87 | 5.47 |

CHAPTER 1 - BY SIZE OF FIRM

BALANCE SHEET

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | 4.62% | 6.11% | 4.90% |
| Receivables | 32.79 | 31.48 | 32.78 |
| Inventories | 16.62 | 15.76 | 11.73 |
| Other current assets | 3.97 | 5.47 | 3.03 |
| TOTAL CURRENT ASSETS | 58.00 | 58.82 | 52.44 |
| FIXED ASSETS | | | |
| Real estate | 12.10 | 11.55 | 13.63 |
| Less: Accumulated depreciation | 3.30 | 2.84 | 5.51 |
| | 8.80 | 8.71 | 8.12 |
| Machinery and equipment | 64.34 | 58.95 | 99.44 |
| Less: Accumulated depreciation | 35.84 | 32.58 | 64.80 |
| | 28.50 | 26.37 | 34.64 |
| Other fixed assets | 5.43 | 7.37 | 4.14 |
| Less: Accumulated depreciation | 2.99 | 4.07 | 2.28 |
| | 2.44 | 3.30 | 1.86 |
| NET FIXED ASSETS | 39.74 | 38.38 | 44.62 |
| OTHER ASSETS | 2.26 | 2.80 | 2.94 |
| TOTAL ASSETS | 100.00 | 100.00 | 100.00 |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Notes payable | 9.15 | 5.35 | 9.15 |
| Accounts payable | 15.02 | 15.26 | 13.45 |
| Other current liabilities | 9.43 | 7.96 | 8.90 |
| TOTAL CURRENT LIABILITIES | 33.60 | 28.57 | 31.50 |
| LONG-TERM LIABILITIES | 26.93 | 17.09 | 26.35 |
| TOTAL LIABILITIES | 60.53 | 45.66 | 57.85 |
| SHAREHOLDERS' AND PROPRIETORS' EQUITY | 39.47 | 54.34 | 42.15 |
| TOTAL LIABILITIES AND EQUITY | 100.00 | 100.00 | 100.00 |

BALANCE SHEET RATIOS

| | | | |
|---|---|---|---|
| CURRENT RATIO | 1.73 | 2.06 | 1.66 |
| QUICK RATIO | 1.23 | 1.51 | 1.29 |
| TOTAL LIABILITIES TO EQUITY | 1.53 | 0.84 | 1.37 |
| LONG-TERM LIABILITIES TO EQUITY | 0.68 | 0.31 | 0.63 |
| ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT | 0.56 | 0.55 | 0.65 |

** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 5.32% | 4.81% | 5.96% | 14.18% | 2.45% | 3.03% | 3.24% | 3.04% |
| 33.15 | 35.53 | 31.77 | 24.18 | 33.40 | 36.20 | 33.00 | 28.71 |
| 16.72 | 11.46 | 16.64 | 15.77 | 16.46 | 16.27 | 19.46 | 22.57 |
| 4.29 | 4.76 | 3.15 | 8.75 | 4.70 | 0.69 | 4.08 | 7.17 |
| 59.48 | 56.56 | 57.52 | 62.88 | 57.01 | 56.19 | 59.78 | 61.49 |
| 9.20 | 13.70 | 10.20 | 12.37 | 19.50 | 10.50 | 9.64 | 11.25 |
| 2.32 | 3.45 | 2.54 | 2.49 | 5.44 | 3.56 | 2.67 | 2.53 |
| 6.88 | 10.25 | 7.66 | 9.88 | 14.06 | 6.94 | 6.97 | 8.72 |
| 62.58 | 55.41 | 61.75 | 58.32 | 65.85 | 63.12 | 53.20 | 53.75 |
| 35.95 | 31.10 | 32.89 | 35.68 | 36.78 | 32.52 | 24.13 | 27.98 |
| 26.63 | 24.31 | 28.86 | 22.64 | 29.07 | 30.60 | 29.07 | 25.77 |
| 7.74 | 6.37 | 3.73 | 5.86 | 4.74 | 10.29 | 4.43 | 6.21 |
| 4.68 | 3.79 | 1.53 | 3.06 | 2.72 | 4.89 | 2.13 | 3.30 |
| 3.06 | 2.58 | 2.20 | 2.80 | 2.02 | 5.40 | 2.30 | 2.91 |
| 36.57 | 37.14 | 38.72 | 35.32 | 45.15 | 42.94 | 38.34 | 37.40 |
| 3.95 | 6.30 | 3.76 | 1.80 | (2.16) | 0.87 | 1.88 | 1.11 |
| 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 9.70 | 7.54 | 9.49 | 5.41 | 9.04 | 4.10 | 6.58 | 2.95 |
| 17.09 | 16.81 | 15.30 | 10.38 | 12.67 | 16.16 | 13.32 | 14.96 |
| 8.26 | 3.95 | 10.19 | 11.39 | 9.89 | 12.05 | 10.66 | 8.90 |
| 35.05 | 28.30 | 34.98 | 27.18 | 31.60 | 32.31 | 30.56 | 26.81 |
| 28.97 | 26.56 | 26.61 | 16.01 | 25.75 | 3.03 | 23.73 | 13.87 |
| 64.02 | 54.86 | 61.59 | 43.19 | 57.35 | 35.34 | 54.29 | 40.68 |
| 35.98 | 45.14 | 38.41 | 56.81 | 42.65 | 64.66 | 45.71 | 59.32 |
| 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 1.70 | 2.00 | 1.64 | 2.31 | 1.80 | 1.74 | 1.96 | 2.29 |
| 1.22 | 1.59 | 1.17 | 1.73 | 1.28 | 1.24 | 1.32 | 1.45 |
| 1.78 | 1.22 | 1.60 | 0.76 | 1.34 | 0.55 | 1.19 | 0.69 |
| 0.81 | 0.59 | 0.69 | 0.28 | 0.60 | 0.05 | 0.52 | 0.23 |
| 0.57 | 0.56 | 0.53 | 0.61 | 0.56 | 0.52 | 0.45 | 0.52 |

SIGNIFICANT FACTS

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| INVESTMENT | | | |
| Average assets per employee - All employees | $ 42,799 | $ 48,978 | $ 25,635 |
| Average assets per factory employee (Excluding Executives) | 58,206 | 64,705 | 38,271 |
| Average net worth per employee - All employees | 17,054 | 27,465 | 11,410 |
| Average gross plant investment per factory employee (Excluding Executives) | 46,383 | 49,132 | 43,591 |
| Net worth percentage of fixed assets | 123.26% | 143.26% | 99.36% |
| EMPLOYEES | | | |
| Percent factory - All employees | 78.53% | 80.64% | 69.65% |
| Percent administrative - All employees | 11.22 | 9.63 | 18.89 |
| Percent sales - All employees | 10.25 | 9.73 | 11.46 |
| SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES | | | |
| Sales per employee - All employees | $ 82,160 | $ 95,015 | $ 52,665 |
| Sales per factory employee | 105,623 | 117,706 | 76,550 |
| Sales less material per factory employee | 61,325 | 67,913 | 48,982 |
| Sales per administrative employee | 915,001 | 1,282,782 | 313,203 |
| EXCLUDING EXECUTIVES | | | |
| Sales per employee - All employees | 89,828 | 103,953 | 65,098 |
| Sales per factory employee | 111,992 | 125,159 | 83,391 |
| Sales less material per factory employee | 65,035 | 72,292 | 53,301 |
| SALES PER SALESMAN | 824,765 | 964,772 | 228,158 |
| SALES TO CURRENT ASSETS | 367% | 357% | 468% |
| PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES | | | |
| Total payroll percentage of sales | 36.11% | 31.19% | 39.91% |
| Factory payroll percentage of gross plant investment | 73.01 | 59.58 | 53.16 |
| Payroll per employee - All employees | $ 28,815 | $ 28,346 | $ 20,920 |
| Payroll per factory employee | 25,947 | 25,162 | 19,641 |
| Payroll per administrative employee | 34,225 | 36,669 | 22,868 |
| Payroll per sales employee | 49,553 | 54,331 | 27,293 |
| PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES | | | |
| Payroll per employee - All employees | $ 22,494 | $ 21,989 | $ 16,151 |
| Payroll per factory employee | 21,108 | 20,582 | 16,566 |
| Payroll per administrative employee | 18,041 | 19,082 | 13,747 |
| Payroll per sales employee | 39,459 | 40,617 | 10,799 |
| EXECUTIVE PAYROLL | | | |
| Payroll per executive - All executives | 52,149 | 53,362 | 29,306 |
| Payroll per factory executive | 38,112 | 34,974 | 28,309 |
| Payroll per administrative executive | 65,489 | 74,097 | 28,948 |
| Payroll per sales executive | 59,789 | 76,045 | 28,820 |
| RECEIVABLES | | | |
| Collection period | 61.7 | 59.0 | 57.5 |
| PROFIT | | | |
| Gross profit percentage of sales | 21.04% | 24.79% | 22.89% |
| Average gross profit per factory employee | $ 24,127 | $ 31,312 | $ 19,728 |
| Income before taxes percentage of sales | 4.72% | 11.73% | 3.61% |
| Average income before taxes per employee | $ 4,227 | $ 11,223 | $ 1,826 |

** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| $ 32,552 | $ 34,832 | $ 47,568 | $ 56,572 | $ 49,517 | $ 49,122 | $ 60,156 | $ 65,245 |
| 45,613 | 48,506 | 66,055 | 78,230 | 64,818 | 60,836 | 77,057 | 81,058 |
| 11,008 | 15,594 | 18,354 | 31,848 | 21,558 | 32,328 | 27,602 | 38,876 |
| 35,434 | 35,461 | 51,161 | 58,585 | 55,872 | 52,614 | 51,174 | 57,242 |
| 150.54% | 121.98% | 110.64% | 159.06% | 103.16% | 153.89% | 123.64% | 160.64% |
| 76.83% | 78.69% | 78.34% | 78.83% | 81.62% | 84.50% | 83.24% | 85.19% |
| 12.16 | 11.07 | 11.55 | 11.13 | 8.51 | 7.52 | 8.65 | 6.81 |
| 11.01 | 10.24 | 10.11 | 10.04 | 9.87 | 7.98 | 8.11 | 8.00 |
| $ 69,493 | $ 77,666 | $ 84,467 | $ 83,261 | $ 91,674 | $ 107,766 | $ 115,848 | $ 127,087 |
| 92,064 | 101,871 | 110,078 | 106,407 | 113,623 | 127,222 | 139,654 | 149,046 |
| 55,715 | 61,056 | 62,917 | 66,275 | 65,669 | 78,824 | 73,916 | 74,828 |
| 654,356 | 756,517 | 863,527 | 760,683 | 1,172,773 | 1,476,414 | 1,739,595 | 2,410,593 |
| 76,107 | 85,779 | 93,306 | 94,942 | 97,992 | 114,079 | 124,169 | 135,333 |
| 97,362 | 108,277 | 117,500 | 115,791 | 119,233 | 132,189 | 148,279 | 157,256 |
| 58,954 | 64,869 | 67,151 | 72,292 | 68,949 | 81,841 | 78,437 | 78,981 |
| 459,482 | 430,608 | 748,648 | 672,125 | 1,077,019 | 974,758 | 1,767,540 | 1,727,062 |
| 401% | 437% | 334% | 239% | 348% | 399% | 328% | 317% |
| 37.16% | 31.29% | 34.86% | 33.81% | 37.33% | 33.53% | 30.81% | 25.76% |
| 76.96 | 69.11 | 83.73 | 45.12 | 62.00 | 77.17 | 66.38 | 50.99 |
| $ 25,6[illegible] | $ 24,131 | $ 28,980 | $ 27,956 | $ 33,280 | $ 35,924 | $ 34,066 | $ 31,022 |
| 23,170 | 21,548 | 25,923 | 24,355 | 30,352 | 33,082 | 29,385 | 26,661 |
| 30,788 | 33,214 | 35,619 | 34,718 | 37,280 | 41,604 | 42,134 | 43,417 |
| 41,596 | 40,507 | 48,564 | 49,961 | 55,552 | 62,233 | 79,731 | 76,162 |
| $ 20,114 | $ 18,810 | $ 22,441 | $ 21,172 | $ 26,051 | $ 27,227 | $ 26,595 | $ 24,647 |
| 18,913 | 18,218 | 20,997 | 19,904 | 24,575 | 26,107 | 23,856 | 21,603 |
| 15,574 | 18,721 | 20,009 | 18,179 | 18,731 | 17,311 | 22,152 | 22,705 |
| 35,514 | 28,794 | 36,998 | 33,279 | 44,950 | 44,087 | 64,727 | 63,696 |
| 44,758 | 40,408 | 49,186 | 56,180 | 63,845 | 84,309 | 73,118 | 54,973 |
| 34,810 | 26,049 | 32,634 | 40,114 | 46,006 | 47,789 | 52,730 | 37,522 |
| 53,933 | 59,473 | 60,455 | 59,621 | 79,806 | 115,615 | 109,023 | 89,976 |
| 34,039 | 43,417 | 56,005 | 57,618 | 82,199 | 132,283 | 127,544 | 106,565 |
| 57.0 | 58.4 | 65.0 | 64.2 | 65.0 | 59.7 | 63.8 | 55.0 |
| 22.39% | 25.47% | 20.91% | 26.61% | 18.41% | 23.73% | 21.59% | 22.63% |
| $ 22,461 | $ 29,120 | $ 25,175 | $ 31,851 | $ 23,192 | $ 31,531 | $ 31,818 | $ 35,128 |
| 4.46% | 11.49% | 4.85% | 12.18% | 3.73% | 9.85% | 8.15% | 12.67% |
| $ 3,291 | $ 9,154 | $ 4,102 | $ 10,037 | $ 3,971 | $ 10,522 | $ 9,885 | $ 16,160 |

CHAPTER 1 - BY SIZE OF FIRM

RETURN ON INVESTMENT - PER $100 OF SALES

| | ALL FIRMS REPORTING | | SALES TO $1.5 MILLION** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| INVESTMENT | | | |
| Current Assets: | | | |
| Cash | $ 2.47 | $ 3.97 | $ 2.19 |
| Receivables | 16.37 | 15.81 | 15.22 |
| Inventories | 8.34 | 8.12 | 5.30 |
| Marketable securities | 0.81 | 1.43 | 0.91 |
| Other current assets | 1.45 | 1.70 | 0.88 |
| | 29.44 | 31.03 | 24.50 |
| Plant Investment: | | | |
| Land and building | 7.02 | 6.77 | 9.92 |
| Machinery and equipment | 32.64 | 31.33 | 42.25 |
| Other fixed assets | 2.71 | 3.85 | 2.01 |
| | 42.37 | 41.95 | 54.18 |
| Non-Current Assets | 1.17 | 1.45 | 1.07 |
| TOTAL INVESTMENT | 72.98 | 74.43 | 79.75 |
| INVESTMENT TURNOVER PER $100 OF SALES | 137.02% | 134.35% | 125.39% |
| EARNINGS | | | |
| Cost of Product | $78.96 | $75.21 | $77.11 |
| Selling Expenses | 7.42 | 6.44 | 6.79 |
| Administrative Expenses | 7.67 | 6.55 | 11.88 |
| | 94.05 | 88.20 | 95.78 |
| Income Before Interest, Other Income, and Taxes | 5.95 | 11.80 | 4.22 |
| RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME | 8.15% | 15.85% | 5.29% |

** Sample insufficient for Profit Leaders.

| SALES FROM $1.5 TO $5 MILLION | | SALES FROM $5 TO $10 MILLION | | SALES FROM $10 TO $20 MILLION | | SALES OVER $20 MILLION | |
|---|---|---|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| $ 2.22 | $ 1.83 | $ 3.94 | $11.97 | $ 1.41 | $ 1.60 | $ 1.87 | $ 1.77 |
| 14.96 | 15.77 | 17.24 | 16.78 | 17.44 | 15.91 | 17.05 | 14.92 |
| 7.75 | 5.12 | 9.04 | 10.55 | 8.48 | 7.48 | 9.93 | 11.22 |
| 0.36 | 0.09 | 0.69 | 2.90 | 1.32 | 0.00 | 1.50 | 3.00 |
| 1.78 | 2.11 | 1.25 | 2.88 | 1.61 | 0.36 | 0.87 | 1.17 |
| 27.07 | 24.92 | 32.16 | 45.08 | 30.26 | 25.35 | 31.22 | 32.08 |
| 5.06 | 7.08 | 6.51 | 9.43 | 10.69 | 5.75 | 5.13 | 6.24 |
| 28.58 | 25.14 | 35.38 | 41.24 | 34.93 | 30.48 | 28.16 | 28.84 |
| 3.42 | 2.85 | 2.23 | 4.16 | 2.46 | 4.46 | 2.55 | 3.71 |
| 37.06 | 35.07 | 44.12 | 54.83 | 48.08 | 40.69 | 35.84 | 38.79 |
| 1.92 | 3.16 | 1.90 | 1.11 | (0.78) | 0.31 | 1.07 | 0.65 |
| 66.05 | 63.15 | 78.18 | 101.02 | 77.56 | 66.35 | 68.13 | 71.52 |
| 151.40% | 158.35% | 127.91% | 98.99% | 128.93% | 150.72% | 146.78% | 139.82% |
| $77.61 | $74.53 | $79.09 | $73.39 | $81.59 | $76.27 | $78.41 | $77.37 |
| 7.83 | 5.18 | 6.98 | 6.72 | 7.71 | 9.23 | 6.87 | 5.47 |
| 8.64 | 7.77 | 7.81 | 8.24 | 5.90 | 4.86 | 5.48 | 4.03 |
| 94.08 | 87.48 | 93.88 | 88.35 | 95.20 | 90.36 | 90.76 | 86.87 |
| 5.92 | 12.52 | 6.12 | 11.65 | 4.80 | 9.64 | 9.24 | 13.13 |
| 8.96% | 19.83% | 7.83% | 11.53% | 6.19% | 14.53% | 13.56% | 18.36% |

REPORT ON OPERATIONS - VALUE ADDED = 100%

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| SALES OR VALUE OF PRODUCT PRODUCED | X | X | X |
| LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES | X | X | X |
| VALUE ADDED BY MANUFACTURE | 100.00% | 100.00% | 100.00% |
| FACTORY PAYROLL | 42.10 | 37.12 | 52.29 |
| FACTORY EXPENSES | 20.90 | 19.31 | 22.69 |
| TOTAL FACTORY COST OF PRODUCT | 63.00 | 56.43 | 74.98 |
| GROSS PROFIT | 37.00 | 43.57 | 25.02 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | |
| Administrative expenses | 12.72 | 10.33 | 12.77 |
| Selling expenses | 13.32 | 12.09 | 8.18 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 26.04 | 22.42 | 20.95 |
| INCOME BEFORE INTEREST EXPENSE | 10.96 | 21.15 | 4.07 |
| Interest expense | 3.75 | 1.94 | 3.05 |
| OPERATING INCOME | 7.21 | 19.21 | 1.02 |
| Other income | 1.16 | 1.25 | 1.16 |
| INCOME BEFORE INCOME TAXES | 8.37 | 20.46 | 2.18 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| X | X | X | X | X |
| X | X | X | X | X |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| 44.46 | 41.00 | 46.54 | 33.10 | 40.25 |
| 21.47 | 21.88 | 22.06 | 22.55 | 18.52 |
| 65.93 | 62.88 | 68.60 | 55.65 | 58.77 |
| 34.07 | 37.12 | 31.40 | 44.35 | 41.23 |
| 12.28 | 10.87 | 13.01 | 11.06 | 15.30 |
| 9.53 | 4.32 | 10.34 | 12.19 | 15.48 |
| 21.81 | 15.19 | 23.35 | 23.25 | 30.78 |
| 12.26 | 21.93 | 8.05 | 21.10 | 10.45 |
| 2.14 | 1.78 | 3.74 | 2.04 | 2.45 |
| 10.12 | 20.15 | 4.31 | 19.06 | 8.00 |
| 1.25 | 1.35 | 2.16 | 2.37 | 0.66 |
| 11.37 | 21.50 | 6.47 | 21.43 | 8.66 |

SUPPORTING SCHEDULES - VALUE ADDED = 100%

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| FACTORY PAYROLL | | | |
| Salaries - executive | 2.98% | 2.87% | 2.77% |
| Direct wages | 28.22 | 24.92 | 37.18 |
| General factory salaries and wages | 3.13 | 2.85 | 2.71 |
| Packing, shipping and delivery wages | 1.40 | 0.90 | 0.72 |
| Payroll taxes | 2.83 | 2.40 | 3.82 |
| Employee benefits | 3.54 | 3.18 | 5.09 |
| TOTAL FACTORY PAYROLL | 42.10 | 37.12 | 52.29 |
| FACTORY EXPENSES | | | |
| Fixed Expenses | | | |
| Depreciation - real estate | 0.48 | 0.33 | 0.07 |
| Depreciation - other | 5.48 | 4.87 | 5.71 |
| Taxes - real estate | 0.36 | 0.22 | 0.10 |
| Taxes - other | 0.34 | 0.29 | 0.31 |
| Insurance | 0.56 | 0.42 | 0.27 |
| Building rent | 1.61 | 1.88 | 2.32 |
| Utilities - heat, light, etc. | 2.26 | 1.91 | 2.21 |
| Equipment rental | 0.92 | 1.08 | 1.37 |
| Total Fixed Expenses | 12.01 | 11.00 | 12.36 |
| Other Expenses | | | |
| Factory supplies and expense | 3.55 | 3.45 | 4.68 |
| Packing, shipping and delivery expense | 1.82 | 1.35 | 1.24 |
| Repairs and maintenance | 2.53 | 2.76 | 2.40 |
| Other factory expenses | 0.99 | 0.75 | 2.01 |
| Total Other Expenses | 8.89 | 8.31 | 10.33 |
| TOTAL FACTORY EXPENSES | 20.90 | 19.31 | 22.69 |
| ADMINISTRATIVE EXPENSES | | | |
| Salaries - executive | 3.77 | 2.64 | 1.99 |
| Salaries - office | 3.08 | 2.73 | 3.67 |
| Payroll taxes | 0.44 | 0.36 | 0.41 |
| Employee benefits | 0.75 | 0.55 | 0.73 |
| Bad debts | 0.78 | 0.52 | 2.07 |
| Office supplies and expenses | 0.62 | 0.65 | 0.40 |
| Professional fees | 0.65 | 0.64 | 0.51 |
| Taxes - business | 0.17 | 0.22 | 0.38 |
| Telephone | 0.65 | 0.52 | 0.51 |
| Other administrative expenses | 1.81 | 1.50 | 2.10 |
| TOTAL ADMINISTRATIVE EXPENSES | 12.72 | 10.33 | 12.77 |
| SELLING EXPENSES | | | |
| Salaries - executive | 1.92 | 1.86 | 0.91 |
| Salaries and commissions - salesmen | 6.72 | 4.98 | 3.74 |
| Salaries - sales office clerical | 0.84 | 1.21 | 0.94 |
| Payroll taxes | 0.47 | 0.47 | 0.37 |
| Employee benefits | 0.55 | 0.61 | 0.49 |
| Advertising | 0.47 | 0.37 | 0.41 |
| Travel and entertainment | 1.18 | 0.83 | 0.79 |
| Other selling expenses | 1.17 | 1.76 | 0.53 |
| TOTAL SELLING EXPENSES | 13.32 | 12.09 | 8.18 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| 2.21% | 2.39% | 3.27% | 3.39% | 4.77% |
| 31.08 | 24.07 | 31.17 | 22.78 | 23.84 |
| 1.79 | 4.48 | 2.85 | 1.48 | 2.97 |
| 3.72 | 2.92 | 1.47 | 1.14 | 1.64 |
| 1.96 | 1.73 | 3.04 | 1.84 | 2.67 |
| 3.70 | 5.41 | 4.74 | 2.47 | 4.36 |
| 44.46 | 41.00 | 46.54 | 33.10 | 40.25 |
| 1.96 | 3.29 | 0.42 | 0.69 | 1.04 |
| 4.92 | 4.40 | 5.93 | 8.60 | 3.54 |
| 0.30 | 0.34 | 0.42 | 0.59 | 0.28 |
| 0.10 | 0.17 | 0.22 | 0.00 | 0.23 |
| 0.75 | 0.57 | 0.55 | 0.29 | 0.47 |
| 1.11 | 0.12 | 0.87 | 0.00 | 1.67 |
| 1.60 | 1.24 | 2.33 | 2.89 | 1.76 |
| 0.13 | 0.17 | 0.47 | 0.53 | 1.25 |
| 10.87 | 10.30 | 11.21 | 13.59 | 10.24 |
| 2.88 | 4.54 | 3.50 | 3.07 | 2.74 |
| 2.35 | 3.22 | 1.66 | 1.98 | 2.11 |
| 4.72 | 3.68 | 4.18 | 3.77 | 1.74 |
| 0.65 | 0.14 | 1.51 | 0.14 | 1.69 |
| 10.60 | 11.58 | 10.85 | 8.96 | 8.28 |
| 21.47 | 21.88 | 22.06 | 22.55 | 18.52 |
| 3.47 | 2.90 | 2.40 | 2.77 | 3.89 |
| 2.36 | 1.65 | 3.47 | 2.45 | 4.65 |
| 0.27 | 0.21 | 0.42 | 0.52 | 0.52 |
| 0.66 | 0.91 | 1.00 | 0.38 | 0.55 |
| 0.93 | 0.50 | 1.39 | 1.10 | 0.44 |
| 0.75 | 0.52 | 0.58 | 0.45 | 1.24 |
| 1.01 | 0.51 | 0.98 | 0.97 | 0.96 |
| 0.32 | 0.24 | 0.46 | 0.20 | 0.09 |
| 0.88 | 1.22 | 0.61 | 1.24 | 0.51 |
| 1.63 | 2.21 | 1.70 | 0.98 | 2.45 |
| 12.28 | 10.87 | 13.01 | 11.06 | 15.30 |
| 1.19 | 1.32 | 1.06 | 1.99 | 3.06 |
| 3.99 | 0.98 | 4.99 | 6.49 | 6.67 |
| 0.25 | 0.24 | 1.14 | 0.55 | 0.94 |
| 0.21 | 0.06 | 0.42 | 0.69 | 0.61 |
| 0.33 | 0.56 | 0.52 | 0.16 | 0.79 |
| 0.44 | 0.48 | 0.18 | 0.08 | 0.85 |
| 1.12 | 0.31 | 1.28 | 2.09 | 1.47 |
| 2.00 | 0.37 | 0.75 | 0.14 | 1.09 |
| 9.53 | 4.32 | 10.34 | 12.19 | 15.48 |

REPORT ON OPERATIONS - SALES = 100%

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| SALES OR VALUE OF PRODUCT PRODUCED | 100.00% | 100.00% | 100.00% |
| FACTORY COST OF PRODUCT | | | |
| MATERIALS | | | |
| Paper | 27.68 | 26.44 | 30.79 |
| Other chargeable materials | 5.32 | 6.21 | 4.63 |
| Outside services | 8.16 | 8.01 | 4.16 |
| TOTAL MATERIALS | 41.16 | 40.66 | 39.58 |
| FACTORY PAYROLL | 24.82 | 22.15 | 31.68 |
| FACTORY EXPENSES | 12.33 | 11.51 | 13.55 |
| TOTAL FACTORY COST OF PRODUCT | 78.31 | 74.32 | 84.81 |
| GROSS PROFIT | 21.69 | 25.68 | 15.19 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | |
| Administrative expenses | 7.54 | 6.32 | 7.65 |
| Selling expenses | 7.85 | 7.27 | 4.92 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 15.39 | 13.59 | 12.57 |
| INCOME BEFORE INTEREST EXPENSE | 6.30 | 12.09 | 2.62 |
| Interest expense | 2.18 | 1.16 | 1.89 |
| OPERATING INCOME | 4.12 | 10.93 | 0.73 |
| Other income | 0.70 | 0.85 | 0.66 |
| INCOME BEFORE INCOME TAXES | 4.82 | 11.78 | 1.39 |

SUPPORTING SCHEDULES - SALES = 100%

| | | | |
|---|---|---|---|
| OTHER CHARGEABLE MATERIALS | | | |
| Ink | 2.15% | 2.05% | 2.06% |
| Film | 1.04 | 0.72 | 1.15 |
| Plates | 1.06 | 1.22 | 1.23 |
| Other chargeable materials | 1.07 | 2.22 | 0.19 |
| TOTAL OTHER CHARGEABLE MATERIALS | 5.32 | 6.21 | 4.63 |
| OUTSIDE SERVICES | | | |
| Composition | 1.09 | 1.35 | 0.24 |
| Offset preparation | 1.22 | 0.87 | 0.23 |
| Printing | 1.40 | 0.79 | 0.25 |
| Binding | 2.03 | 1.82 | 2.59 |
| Other outside services | 2.42 | 3.18 | 0.85 |
| TOTAL OUTSIDE SERVICES | 8.16 | 8.01 | 4.16 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| 35.23 | 37.07 | 31.53 | 26.70 | 27.10 |
| 5.41 | 4.95 | 5.55 | 6.91 | 3.18 |
| 2.59 | 2.93 | 8.15 | 10.67 | 6.40 |
| 43.23 | 44.95 | 45.23 | 44.28 | 36.68 |
| 25.35 | 23.03 | 25.72 | 18.38 | 25.73 |
| 11.98 | 12.01 | 12.04 | 12.60 | 11.70 |
| 80.56 | 79.99 | 82.99 | 75.26 | 74.11 |
| 19.44 | 20.01 | 17.01 | 24.74 | 25.89 |
| 6.92 | 5.85 | 6.96 | 6.20 | 9.67 |
| 5.78 | 2.44 | 5.64 | 6.82 | 9.78 |
| 12.70 | 8.29 | 12.60 | 13.02 | 19.45 |
| 6.74 | 11.72 | 4.41 | 11.72 | 6.44 |
| 1.20 | 0.92 | 1.92 | 1.12 | 1.56 |
| 5.54 | 10.80 | 2.49 | 10.60 | 4.88 |
| 0.72 | 0.87 | 1.32 | 1.32 | 0.43 |
| 6.26 | 11.67 | 3.81 | 11.92 | 5.31 |
| 2.32% | 2.14% | 1.62% | 5.26% | 0.79% |
| 1.26 | 1.43 | 1.27 | 0.76 | 0.52 |
| 1.23 | 1.37 | 1.47 | 0.89 | 0.64 |
| 0.60 | 0.01 | 1.19 | 0.00 | 1.23 |
| 5.41 | 4.95 | 5.55 | 6.91 | 3.18 |
| 0.43 | 0.74 | 0.57 | 0.00 | 0.14 |
| 0.35 | 0.33 | 0.22 | 0.00 | 0.54 |
| 0.55 | 1.33 | 0.36 | 0.00 | 3.94 |
| 0.46 | 0.18 | 4.00 | 0.00 | 0.82 |
| 0.80 | 0.35 | 3.00 | 10.67 | 0.96 |
| 2.59 | 2.93 | 8.15 | 10.67 | 6.40 |

SUPPORTING SCHEDULES - SALES = 100%

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| FACTORY PAYROLL | | | |
| Salaries - executive | 1.76% | 1.73% | 1.59% |
| Direct wages | 16.57 | 14.79 | 22.69 |
| General factory salaries and wages | 1.91 | 1.75 | 1.58 |
| Packing, shipping and delivery wages | 0.81 | 0.51 | 0.43 |
| Payroll taxes | 1.68 | 1.46 | 2.31 |
| Employee benefits | 2.09 | 1.91 | 3.08 |
| TOTAL FACTORY PAYROLL | 24.82 | 22.15 | 31.68 |
| FACTORY EXPENSES | | | |
| Fixed Expenses | | | |
| Depreciation - real estate | 0.29 | 0.20 | 0.05 |
| Depreciation - other | 3.18 | 2.89 | 3.39 |
| Taxes - real estate | 0.21 | 0.13 | 0.06 |
| Taxes - other | 0.20 | 0.18 | 0.18 |
| Insurance | 0.34 | 0.26 | 0.16 |
| Building rent | 0.97 | 1.15 | 1.32 |
| Utilities - heat, light, etc. | 1.33 | 1.16 | 1.32 |
| Equipment rental | 0.56 | 0.63 | 0.81 |
| Total Fixed Expenses | 7.08 | 6.60 | 7.29 |
| Other Expenses | | | |
| Factory supplies and expense | 2.11 | 2.02 | 2.80 |
| Packing, shipping and delivery expense | 1.06 | 0.80 | 0.70 |
| Repairs and maintenance | 1.50 | 1.64 | 1.44 |
| Other factory expenses | 0.58 | 0.45 | 1.32 |
| Total Other Expenses | 5.25 | 4.91 | 6.26 |
| TOTAL FACTORY EXPENSES | 12.33 | 11.51 | 13.55 |
| ADMINISTRATIVE EXPENSES | | | |
| Salaries - executive | 2.25 | 1.61 | 1.26 |
| Salaries - office | 1.82 | 1.67 | 2.21 |
| Payroll taxes | 0.26 | 0.22 | 0.24 |
| Employee benefits | 0.44 | 0.33 | 0.43 |
| Bad debts | 0.46 | 0.31 | 1.20 |
| Office supplies and expenses | 0.37 | 0.40 | 0.23 |
| Professional fees | 0.39 | 0.40 | 0.31 |
| Taxes - business | 0.10 | 0.14 | 0.22 |
| Telephone | 0.38 | 0.32 | 0.31 |
| Other administrative expenses | 1.07 | 0.92 | 1.24 |
| TOTAL ADMINISTRATIVE EXPENSES | 7.54 | 6.32 | 7.65 |
| SELLING EXPENSES | | | |
| Salaries - executive | 1.13 | 1.16 | 0.54 |
| Salaries and commissions - salesmen | 3.95 | 2.92 | 2.23 |
| Salaries - sales office clerical | 0.50 | 0.74 | 0.57 |
| Payroll taxes | 0.28 | 0.29 | 0.22 |
| Employee benefits | 0.33 | 0.37 | 0.29 |
| Advertising | 0.28 | 0.23 | 0.24 |
| Travel and entertainment | 0.69 | 0.50 | 0.50 |
| Other selling expenses | 0.69 | 1.06 | 0.33 |
| TOTAL SELLING EXPENSES | 7.85 | 7.27 | 4.92 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| 1.23% | 1.20% | 1.77% | 1.91% | 3.05% |
| 17.80 | 13.60 | 17.23 | 12.67 | 15.33 |
| 0.95 | 2.23 | 1.60 | 0.81 | 1.87 |
| 2.06 | 1.63 | 0.83 | 0.63 | 1.03 |
| 1.09 | 0.99 | 1.67 | 1.03 | 1.71 |
| 2.22 | 3.38 | 2.62 | 1.33 | 2.74 |
| 25.35 | 23.03 | 25.72 | 18.38 | 25.73 |
| 1.05 | 1.66 | 0.24 | 0.38 | 0.67 |
| 2.93 | 2.85 | 3.22 | 4.84 | 2.19 |
| 0.18 | 0.20 | 0.24 | 0.32 | 0.18 |
| 0.06 | 0.09 | 0.10 | 0.00 | 0.15 |
| 0.41 | 0.30 | 0.27 | 0.17 | 0.30 |
| 0.58 | 0.05 | 0.43 | 0.00 | 1.05 |
| 0.90 | 0.70 | 1.26 | 1.59 | 1.10 |
| 0.08 | 0.09 | 0.27 | 0.28 | 0.82 |
| 6.19 | 5.94 | 6.03 | 7.58 | 6.46 |
| 1.60 | 2.36 | 2.00 | 1.73 | 1.72 |
| 1.17 | 1.61 | 0.86 | 1.12 | 1.32 |
| 2.65 | 2.01 | 2.32 | 2.10 | 1.13 |
| 0.37 | 0.09 | 0.83 | 0.07 | 1.07 |
| 5.79 | 6.07 | 6.01 | 5.02 | 5.24 |
| 11.98 | 12.01 | 12.04 | 12.60 | 11.70 |
| 2.02 | 1.56 | 1.30 | 1.53 | 2.45 |
| 1.33 | 0.89 | 1.86 | 1.35 | 2.91 |
| 0.16 | 0.12 | 0.23 | 0.30 | 0.32 |
| 0.38 | 0.55 | 0.56 | 0.21 | 0.35 |
| 0.50 | 0.23 | 0.64 | 0.63 | 0.29 |
| 0.43 | 0.29 | 0.32 | 0.25 | 0.80 |
| 0.55 | 0.26 | 0.52 | 0.55 | 0.59 |
| 0.17 | 0.14 | 0.25 | 0.12 | 0.06 |
| 0.51 | 0.73 | 0.34 | 0.70 | 0.33 |
| 0.87 | 1.08 | 0.94 | 0.56 | 1.57 |
| 6.92 | 5.85 | 6.96 | 6.20 | 9.67 |
| 0.71 | 0.81 | 0.58 | 1.09 | 1.92 |
| 2.44 | 0.45 | 2.67 | 3.64 | 4.20 |
| 0.14 | 0.15 | 0.67 | 0.32 | 0.60 |
| 0.12 | 0.03 | 0.23 | 0.39 | 0.38 |
| 0.19 | 0.35 | 0.29 | 0.09 | 0.49 |
| 0.27 | 0.24 | 0.09 | 0.05 | 0.55 |
| 0.62 | 0.17 | 0.69 | 1.16 | 0.94 |
| 1.29 | 0.24 | 0.42 | 0.08 | 0.70 |
| 5.78 | 2.44 | 5.64 | 6.82 | 9.78 |

BALANCE SHEET

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | 4.17% | 4.21% | 0.61% |
| Receivables | 34.31 | 35.58 | 32.96 |
| Inventories | 16.06 | 16.61 | 19.76 |
| Other current assets | 3.09 | 6.04 | 4.09 |
| TOTAL CURRENT ASSETS | 57.63 | 62.44 | 57.42 |
| FIXED ASSETS | | | |
| Real estate | 10.93 | 8.16 | 10.36 |
| Less: Accumulated depreciation | 2.66 | 1.86 | 4.06 |
| | 8.27 | 6.30 | 6.30 |
| Machinery and equipment | 66.25 | 58.14 | 77.08 |
| Less: Accumulated depreciation | 36.15 | 32.06 | 45.32 |
| | 30.10 | 26.08 | 31.76 |
| Other fixed assets | 5.61 | 8.01 | 2.33 |
| Less: Accumulated depreciation | 3.06 | 4.53 | 1.41 |
| | 2.55 | 3.48 | 0.92 |
| NET FIXED ASSETS | 40.92 | 35.86 | 38.98 |
| OTHER ASSETS | 1.45 | 1.70 | 3.60 |
| TOTAL ASSETS | 100.00 | 100.00 | 100.00 |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Notes payable | 10.36 | 6.29 | 9.30 |
| Accounts payable | 14.60 | 14.76 | 18.74 |
| Other current liabilities | 9.76 | 8.34 | 9.23 |
| TOTAL CURRENT LIABILITIES | 34.72 | 29.39 | 37.27 |
| LONG-TERM LIABILITIES | 28.13 | 19.87 | 23.72 |
| TOTAL LIABILITIES | 62.85 | 49.26 | 60.99 |
| SHAREHOLDERS' AND PROPRIETORS' EQUITY | 37.15 | 50.74 | 39.01 |
| TOTAL LIABILITIES AND EQUITY | 100.00 | 100.00 | 100.00 |

BALANCE SHEET RATIOS

| | | | |
|---|---|---|---|
| CURRENT RATIO | 1.66 | 2.12 | 1.54 |
| QUICK RATIO | 1.20 | 1.56 | 1.01 |
| TOTAL LIABILITIES TO EQUITY | 1.69 | 0.97 | 1.56 |
| LONG-TERM LIABILITIES TO EQUITY | 0.76 | 0.39 | 0.61 |
| ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT | 0.55 | 0.55 | 0.59 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| 2.01% | 0.08% | 1.45% | 0.93% | 12.01% |
| 28.31 | 22.39 | 34.52 | 28.91 | 27.12 |
| 17.23 | 9.73 | 18.77 | 20.21 | 17.86 |
| 3.86 | 0.29 | 4.73 | 7.11 | 5.33 |
| 51.41 | 32.49 | 59.47 | 57.16 | 62.32 |
| 17.15 | 27.96 | 13.79 | 14.59 | 15.52 |
| 5.32 | 7.25 | 5.90 | 4.21 | 2.91 |
| 11.83 | 20.71 | 7.89 | 10.38 | 12.61 |
| 60.83 | 63.30 | 62.76 | 55.66 | 51.80 |
| 32.84 | 32.32 | 34.92 | 29.39 | 32.69 |
| 27.99 | 30.98 | 27.84 | 26.27 | 19.11 |
| 4.77 | 1.98 | 5.19 | 11.98 | 7.59 |
| 2.67 | 0.44 | 3.11 | 6.59 | 3.97 |
| 2.10 | 1.54 | 2.08 | 5.39 | 3.62 |
| 41.92 | 53.23 | 37.81 | 42.04 | 35.34 |
| 6.67 | 14.28 | 2.72 | 0.80 | 2.34 |
| 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 3.19 | 0.99 | 9.88 | 6.06 | 5.02 |
| 21.17 | 24.69 | 15.47 | 15.18 | 12.30 |
| 6.00 | 5.35 | 11.25 | 9.06 | 8.85 |
| 30.36 | 31.03 | 36.60 | 30.30 | 26.17 |
| 15.85 | 6.89 | 25.09 | 17.65 | 27.38 |
| 46.21 | 37.92 | 61.69 | 47.95 | 53.55 |
| 53.79 | 62.08 | 38.31 | 52.05 | 46.45 |
| 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 1.69 | 1.05 | 1.62 | 1.89 | 2.38 |
| 1.13 | 0.73 | 1.11 | 1.22 | 1.70 |
| 0.86 | 0.61 | 1.61 | 0.92 | 1.15 |
| 0.29 | 0.11 | 0.65 | 0.34 | 0.59 |
| 0.54 | 0.51 | 0.56 | 0.53 | 0.63 |

SIGNIFICANT FACTS

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| INVESTMENT | | | |
| Average assets per employee - All employees | $ 45,605 | $ 47,702 | $ 37,791 |
| Average assets per factory employee (Excluding Executives) | 62,167 | 64,468 | 46,683 |
| Average net worth per employee - All employees | 17,486 | 25,388 | 14,405 |
| Average gross plant investment per factory employee (Excluding Executives) | 50,460 | 46,579 | 42,132 |
| Net worth percentage of fixed assets | 110.75% | 141.39% | 118.68% |
| EMPLOYEES | | | |
| Percent factory - All employees | 78.06% | 79.09% | 83.63% |
| Percent administrative - All employees | 11.23 | 9.28 | 9.72 |
| Percent sales - All employees | 10.71 | 11.63 | 6.65 |
| SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES | | | |
| Sales per employee - All employees | $ 88,564 | $ 102,662 | $ 78,342 |
| Sales per factory employee | 114,214 | 128,625 | 93,699 |
| Sales less material per factory employee | 66,237 | 74,148 | 55,789 |
| Sales per administrative employee | 1,029,693 | 1,520,970 | 909,328 |
| EXCLUDING EXECUTIVES | | | |
| Sales per employee - All employees | 97,124 | 112,515 | 83,154 |
| Sales per factory employee | 121,092 | 137,633 | 98,054 |
| Sales less material per factory employee | 70,245 | 79,436 | 58,252 |
| SALES PER SALESMAN | 818,898 | 1,053,607 | 978,035 |
| SALES TO CURRENT ASSETS | 364% | 356% | 393% |
| PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES | | | |
| Total payroll percentage of sales | 35.78% | 31.46% | 39.66% |
| Factory payroll percentage of gross plant investment | 73.51 | 68.27 | 81.58 |
| Payroll per employee - All employees | $ 30,815 | $ 30,517 | $ 30,131 |
| Payroll per factory employee | 27,338 | 27,256 | 28,835 |
| Payroll per administrative employee | 37,188 | 39,449 | 33,049 |
| Payroll per sales employee | 54,547 | 51,849 | 45,938 |
| PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES | | | |
| Payroll per employee - All employees | $ 24,152 | $ 24,101 | $ 23,833 |
| Payroll per factory employee | 22,412 | 22,437 | 23,432 |
| Payroll per administrative employee | 18,993 | 20,876 | 18,989 |
| Payroll per sales employee | 43,826 | 42,069 | 39,939 |
| EXECUTIVE PAYROLL | | | |
| Payroll per executive - All executives | 55,835 | 53,863 | 53,607 |
| Payroll per factory executive | 39,406 | 34,691 | 33,263 |
| Payroll per administrative executive | 73,311 | 83,853 | 61,616 |
| Payroll per sales executive | 67,173 | 77,382 | 43,777 |
| RECEIVABLES | | | |
| Collection period | 63.9 | 60.2 | 58.4 |
| PROFIT | | | |
| Gross profit percentage of sales | 21.69% | 25.68% | 15.19% |
| Average gross profit per factory employee | $ 26,807 | $ 35,266 | $ 14,624 |
| Income before taxes percentage of sales | 4.82% | 11.78% | 1.39% |
| Average income before taxes per employee | $ 4,772 | $ 12,283 | $ 1,276 |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| $ 29,057 | $ 34,319 | $ 43,449 | $ 64,553 | $ 36,161 |
| 36,231 | 39,387 | 58,271 | 84,282 | 55,318 |
| 15,990 | 21,315 | 17,106 | 33,770 | 15,747 |
| 28,522 | 36,694 | 44,904 | 69,282 | 30,205 |
| 162.86% | 117.99% | 111.82% | 124.40% | 198.47% |
| 83.31% | 90.08% | 80.57% | 79.98% | 71.77% |
| 10.02 | 7.60 | 10.60 | 10.80 | 13.78 |
| 6.67 | 2.32 | 8.83 | 9.22 | 14.45 |
| $ 59,562 | $ 66,587 | $ 77,876 | $ 85,700 | $ 69,221 |
| 71,581 | 73,907 | 98,343 | 106,111 | 97,672 |
| 39,998 | 40,391 | 52,256 | 58,610 | 60,917 |
| 704,658 | 876,396 | 797,231 | 778,522 | 533,461 |
| 63,812 | 71,609 | 83,952 | 92,932 | 77,253 |
| 73,856 | 76,471 | 104,383 | 111,562 | 105,855 |
| 41,283 | 41,688 | 55,364 | 61,644 | 66,078 |
| 397,776 | 365,169 | 1,350,974 | 1,046,340 | 368,976 |
| 477% | 603% | 325% | 231% | 365% |
| 32.84% | 27.93% | 34.10% | 27.31% | 39.36% |
| 70.60 | 47.17 | 64.62 | 29.39 | 72.89 |
| $ 18,577 | $ 18,373 | $ 25,862 | $ 23,457 | $ 26,587 |
| 17,434 | 16,814 | 23,943 | 19,720 | 23,978 |
| 22,412 | 27,095 | 30,775 | 26,799 | 29,865 |
| 32,892 | 49,846 | 44,678 | 70,618 | 39,531 |
| $ 14,948 | $ 13,451 | $ 20,005 | $ 17,879 | $ 19,414 |
| 14,705 | 13,190 | 19,105 | 15,829 | 18,120 |
| 11,794 | 13,137 | 17,452 | 14,985 | 17,718 |
| 25,745 | 28,525 | 34,871 | 52,289 | 27,104 |
| 36,328 | 33,947 | 43,868 | 50,003 | 52,665 |
| 26,545 | 27,088 | 36,028 | 36,544 | 45,204 |
| 44,072 | 34,296 | 48,436 | 46,023 | 58,697 |
| 29,153 | 45,646 | 55,090 | 108,630 | 63,031 |
| 50.0 | 43.3 | 72.0 | 87.7 | 48.7 |
| 19.44% | 20.01% | 17.01% | 24.74% | 25.89% |
| $ 14,403 | $ 15,259 | $ 18,101 | $ 27,202 | $ 28,008 |
| 6.26% | 11.67% | 3.81% | 11.92% | 5.31% |
| $ 3,968 | $ 7,741 | $ 2,936 | $ 10,224 | $ 3,960 |

RETURN ON INVESTMENT - PER $100 OF SALES

| | COMMERCIAL AND ADVERTISING | | MAGAZINE AND PERIODICAL** |
|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| INVESTMENT | | | |
| Current Assets: | | | |
| Cash | $ 2.18 | $ 1.85 | $ 0.39 |
| Receivables | 17.09 | 16.29 | 15.25 |
| Inventories | 8.00 | 7.65 | 8.91 |
| Marketable securities | 0.60 | 1.46 | 0.75 |
| Other current assets | 1.06 | 1.67 | 1.02 |
| | 28.93 | 28.92 | 26.32 |
| Plant Investment: | | | |
| Land and building | 6.38 | 4.19 | 4.82 |
| Machinery and equipment | 33.57 | 27.40 | 37.82 |
| Other fixed assets | 2.77 | 3.65 | 1.06 |
| | 42.72 | 35.24 | 43.70 |
| Non-Current Assets | 0.81 | 0.86 | 1.56 |
| TOTAL INVESTMENT | 72.46 | 65.02 | 71.58 |
| INVESTMENT TURNOVER PER $100 OF SALES | 138.01% | 153.80% | 139.70% |
| EARNINGS | | | |
| Cost of Product | $78.31 | $74.32 | $84.81 |
| Selling Expenses | 7.85 | 7.27 | 4.92 |
| Administrative Expenses | 7.54 | 6.32 | 7.65 |
| | 93.70 | 87.91 | 97.38 |
| Income Before Interest, Other Income, and Taxes | 6.30 | 12.09 | 2.62 |
| RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME | 8.69% | 18.59% | 3.66% |

** Sample insufficient for Profit Leaders.

| NEWSPAPER | | BOOK | | NO PREDOMINANT PRODUCT** |
|---|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS | ALL FIRMS |
| $ 1.18 | $ 0.04 | $ 0.67 | $ 0.54 | $ 4.91 |
| 13.08 | 11.45 | 18.45 | 22.48 | 13.06 |
| 8.54 | 5.01 | 10.18 | 15.67 | 8.95 |
| 1.55 | 0.00 | 2.34 | 4.05 | 0.13 |
| 0.45 | 0.16 | 0.52 | 1.20 | 3.54 |
| 24.80 | 16.66 | 32.16 | 43.94 | 30.59 |
| 9.37 | 14.88 | 7.22 | 11.13 | 10.10 |
| 28.39 | 32.81 | 34.73 | 42.82 | 23.12 |
| 2.37 | 1.08 | 3.11 | 9.00 | 3.35 |
| 40.13 | 48.77 | 45.06 | 62.95 | 36.57 |
| 3.05 | 7.29 | 1.42 | 0.58 | 1.26 |
| 67.98 | 72.72 | 78.64 | 107.47 | 68.42 |
| 147.10% | 137.51% | 127.16% | 93.05% | 146.16% |
| $80.56 | $79.99 | $82.99 | $75.26 | $74.11 |
| 5.78 | 2.44 | 5.64 | 6.82 | 9.78 |
| 6.92 | 5.85 | 6.96 | 6.20 | 9.67 |
| 93.26 | 88.28 | 95.59 | 88.28 | 93.56 |
| 6.74 | 11.72 | 4.41 | 11.72 | 6.44 |
| 9.91% | 16.12% | 5.61% | 10.91% | 9.41% |

REPORT ON OPERATIONS - VALUE ADDED = 100%

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| SALES OR VALUE OF PRODUCT PRODUCED | X | X | X | X |
| LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES | X | X | X | X |
| VALUE ADDED BY MANUFACTURE | 100.00% | 100.00% | 100.00% | 100.00% |
| FACTORY PAYROLL | 43.61 | 39.46 | 42.84 | 36.37 |
| FACTORY EXPENSES | 21.12 | 19.21 | 20.49 | 19.59 |
| TOTAL FACTORY COST OF PRODUCT | 64.73 | 58.67 | 63.33 | 55.96 |
| GROSS PROFIT | 35.27 | 41.33 | 36.67 | 44.04 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | | |
| Administrative expenses | 12.43 | 10.51 | 12.99 | 9.71 |
| Selling expenses | 13.21 | 13.22 | 13.14 | 11.13 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 25.64 | 23.73 | 26.13 | 20.84 |
| INCOME BEFORE INTEREST EXPENSE | 9.63 | 17.60 | 10.54 | 23.20 |
| Interest expense | 3.93 | 1.44 | 3.32 | 1.72 |
| OPERATING INCOME | 5.70 | 16.16 | 7.22 | 21.48 |
| Other income | 1.46 | 2.06 | 1.03 | 2.18 |
| INCOME BEFORE INCOME TAXES | 7.16 | 18.22 | 8.25 | 23.66 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| X | X | X | X |
| X | X | X | X |
| 100.00% | 100.00% | 100.00% | 100.00% |
| 44.75 | 34.56 | 35.56 | 37.83 |
| 20.96 | 21.55 | 21.91 | 22.24 |
| 65.71 | 56.11 | 57.47 | 60.07 |
| 34.29 | 43.89 | 42.53 | 39.93 |
| 13.54 | 12.03 | 14.56 | 13.03 |
| 11.08 | 8.69 | 9.75 | 6.77 |
| 24.62 | 20.72 | 24.31 | 19.80 |
| 9.67 | 23.17 | 18.22 | 20.13 |
| 2.94 | 3.67 | 2.20 | 1.48 |
| 6.73 | 19.50 | 16.02 | 18.65 |
| 1.34 | 0.07 | 0.83 | 0.53 |
| 8.07 | 19.57 | 16.85 | 19.18 |

SUPPORTING SCHEDULES - VALUE ADDED = 100%

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| FACTORY PAYROLL | | | | |
| Salaries - executive | 2.75% | 3.10% | 3.78% | 3.52% |
| Direct wages | 29.55 | 26.12 | 28.67 | 25.41 |
| General factory salaries and wages | 3.54 | 3.23 | 2.26 | 2.14 |
| Packing, shipping and delivery wages | 1.39 | 0.81 | 1.78 | 1.01 |
| Payroll taxes | 2.85 | 2.40 | 2.83 | 2.31 |
| Employee benefits | 3.53 | 3.80 | 3.52 | 1.98 |
| TOTAL FACTORY PAYROLL | 43.61 | 39.46 | 42.84 | 36.37 |
| FACTORY EXPENSES | | | | |
| Fixed Expenses | | | | |
| Depreciation - real estate | 0.61 | 0.28 | 0.44 | 0.36 |
| Depreciation - other | 5.66 | 4.76 | 4.84 | 6.53 |
| Taxes - real estate | 0.39 | 0.17 | 0.28 | 0.36 |
| Taxes - other | 0.29 | 0.27 | 0.34 | 0.32 |
| Insurance | 0.59 | 0.46 | 0.54 | 0.44 |
| Building rent | 1.52 | 2.27 | 1.66 | 0.94 |
| Utilities - heat, light, etc. | 2.20 | 1.85 | 1.99 | 2.25 |
| Equipment rental | 0.63 | 0.64 | 1.49 | 0.37 |
| Total Fixed Expenses | 11.89 | 10.70 | 11.58 | 11.57 |
| Other Expenses | | | | |
| Factory supplies and expense | 3.69 | 3.22 | 3.10 | 3.55 |
| Packing, shipping and delivery expense | 1.79 | 1.49 | 1.75 | 1.25 |
| Repairs and maintenance | 2.59 | 2.81 | 2.71 | 2.99 |
| Other factory expenses | 1.16 | 0.99 | 1.35 | 0.23 |
| Total Other Expenses | 9.23 | 8.51 | 8.91 | 8.02 |
| TOTAL FACTORY EXPENSES | 21.12 | 19.21 | 20.49 | 19.59 |
| ADMINISTRATIVE EXPENSES | | | | |
| Salaries - executive | 3.29 | 2.56 | 3.47 | 3.00 |
| Salaries - office | 3.12 | 2.35 | 3.01 | 1.88 |
| Payroll taxes | 0.39 | 0.31 | 0.43 | 0.37 |
| Employee benefits | 0.60 | 0.48 | 0.81 | 0.33 |
| Bad debts | 0.82 | 0.48 | 1.32 | 0.91 |
| Office supplies and expenses | 0.68 | 0.75 | 0.64 | 0.40 |
| Professional fees | 0.64 | 0.82 | 0.95 | 0.77 |
| Taxes - business | 0.17 | 0.13 | 0.22 | 0.30 |
| Telephone | 0.68 | 0.63 | 0.66 | 0.78 |
| Other administrative expenses | 2.04 | 2.00 | 1.48 | 0.97 |
| TOTAL ADMINISTRATIVE EXPENSES | 12.43 | 10.51 | 12.99 | 9.71 |
| SELLING EXPENSES | | | | |
| Salaries - executive | 1.51 | 2.19 | 2.15 | 1.55 |
| Salaries and commissions - salesmen | 6.55 | 4.20 | 6.74 | 5.37 |
| Salaries - sales office clerical | 1.01 | 1.61 | 0.67 | 0.50 |
| Payroll taxes | 0.43 | 0.49 | 0.52 | 0.46 |
| Employee benefits | 0.53 | 0.81 | 0.53 | 0.25 |
| Advertising | 0.54 | 0.53 | 0.42 | 0.14 |
| Travel and entertainment | 1.35 | 0.81 | 1.20 | 1.47 |
| Other selling expenses | 1.29 | 2.58 | 0.91 | 0.39 |
| TOTAL SELLING EXPENSES | 13.21 | 13.22 | 13.14 | 11.13 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 3.16% | 1.69% | 2.36% | 2.09% |
| 29.96 | 24.11 | 20.74 | 22.92 |
| 2.56 | 1.70 | 3.31 | 3.53 |
| 1.51 | 1.11 | 2.27 | 2.23 |
| 2.91 | 2.50 | 2.26 | 1.93 |
| 4.65 | 3.45 | 4.62 | 5.13 |
| 44.75 | 34.56 | 35.56 | 37.83 |
| 0.67 | 0.69 | 1.63 | 2.32 |
| 5.36 | 4.58 | 4.70 | 5.07 |
| 0.30 | 0.41 | 0.43 | 0.45 |
| 0.31 | 0.26 | 0.09 | 0.11 |
| 0.51 | 0.56 | 0.65 | 0.54 |
| 1.69 | 1.26 | 0.13 | 0.08 |
| 2.45 | 2.55 | 1.77 | 1.62 |
| 0.64 | 2.81 | 0.17 | 0.11 |
| 11.93 | 13.12 | 9.57 | 10.30 |
| 3.43 | 3.36 | 3.98 | 5.33 |
| 1.48 | 1.39 | 4.22 | 3.53 |
| 3.16 | 3.03 | 3.48 | 2.45 |
| 0.96 | 0.65 | 0.66 | 0.63 |
| 9.03 | 8.43 | 12.34 | 11.94 |
| 20.96 | 21.55 | 21.91 | 22.24 |
| 3.93 | 3.13 | 3.75 | 3.93 |
| 3.69 | 4.90 | 3.47 | 2.29 |
| 0.54 | 0.59 | 0.38 | 0.28 |
| 0.89 | 0.98 | 0.91 | 0.69 |
| 0.63 | 0.05 | 0.34 | 0.35 |
| 0.59 | 0.60 | 1.08 | 1.34 |
| 0.53 | 0.43 | 1.51 | 1.56 |
| 0.29 | 0.23 | 0.25 | 0.16 |
| 0.54 | 0.31 | 0.74 | 0.81 |
| 1.91 | 0.81 | 2.13 | 1.62 |
| 13.54 | 12.03 | 14.56 | 13.03 |
| 1.73 | 1.18 | 2.52 | 3.20 |
| 5.09 | 4.32 | 3.58 | 1.21 |
| 0.83 | 0.89 | 0.32 | 0.16 |
| 0.40 | 0.45 | 0.32 | 0.13 |
| 0.53 | 0.38 | 0.82 | 0.55 |
| 0.44 | 0.17 | 0.26 | 0.32 |
| 0.84 | 0.41 | 1.30 | 0.95 |
| 1.22 | 0.89 | 0.63 | 0.25 |
| 11.08 | 8.69 | 9.75 | 6.77 |

REPORT ON OPERATIONS - SALES = 100%

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| SALES OR VALUE OF PRODUCT PRODUCED | 100.00% | 100.00% | 100.00% | 100.00% |
| FACTORY COST OF PRODUCT | | | | |
| MATERIALS | | | | |
| Paper | 27.35 | 25.31 | 27.37 | 25.82 |
| Other chargeable materials | 4.83 | 4.51 | 5.56 | 9.05 |
| Outside services | 7.13 | 7.75 | 9.25 | 8.04 |
| TOTAL MATERIALS | 39.31 | 37.57 | 42.18 | 42.91 |
| FACTORY PAYROLL | 26.51 | 24.59 | 24.97 | 21.33 |
| FACTORY EXPENSES | 12.78 | 11.97 | 11.89 | 11.40 |
| TOTAL FACTORY COST OF PRODUCT | 78.60 | 74.13 | 79.04 | 75.64 |
| GROSS PROFIT | 21.40 | 25.87 | 20.96 | 24.36 |
| ADMINISTRATIVE AND SELLING EXPENSES | | | | |
| Administrative expenses | 7.58 | 6.65 | 7.54 | 5.81 |
| Selling expenses | 8.00 | 8.31 | 7.62 | 6.20 |
| TOTAL ADMINISTRATIVE AND SELLING EXPENSES | 15.58 | 14.96 | 15.16 | 12.01 |
| INCOME BEFORE INTEREST EXPENSE | 5.82 | 10.91 | 5.80 | 12.35 |
| Interest expense | 2.34 | 0.89 | 1.86 | 1.02 |
| OPERATING INCOME | 3.48 | 10.02 | 3.94 | 11.33 |
| Other income | 0.88 | 1.35 | 0.73 | 1.53 |
| INCOME BEFORE INCOME TAXES | 4.36 | 11.37 | 4.67 | 12.86 |

SUPPORTING SCHEDULES - SALES = 100%

| | | | | |
|---|---|---|---|---|
| OTHER CHARGEABLE MATERIALS | | | | |
| Ink | 1.72% | 1.20% | 1.96% | 2.84% |
| Film | 1.15 | 0.88 | 0.97 | 0.71 |
| Plates | 1.13 | 1.33 | 1.14 | 1.41 |
| Other chargeable materials | 0.83 | 1.10 | 1.49 | 4.09 |
| TOTAL OTHER CHARGEABLE MATERIALS | 4.83 | 4.51 | 5.56 | 9.05 |
| OUTSIDE SERVICES | | | | |
| Composition | 1.13 | 2.23 | 0.83 | 0.13 |
| Offset preparation | 0.98 | 0.64 | 0.92 | 1.20 |
| Printing | 0.87 | 0.11 | 1.47 | 0.28 |
| Binding | 1.86 | 1.22 | 3.08 | 1.00 |
| Other outside services | 2.29 | 3.55 | 2.95 | 5.43 |
| TOTAL OUTSIDE SERVICES | 7.13 | 7.75 | 9.25 | 8.04 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 100.00% | 100.00% | 100.00% | 100.00% |
| 30.88 | 27.26 | 38.00 | 37.46 |
| 5.19 | 5.54 | 4.86 | 5.07 |
| 5.95 | 8.40 | 2.85 | 1.95 |
| 42.02 | 41.20 | 45.71 | 44.48 |
| 25.85 | 20.22 | 19.51 | 21.28 |
| 12.09 | 12.58 | 11.76 | 12.33 |
| 79.96 | 74.00 | 76.98 | 78.09 |
| 20.04 | 26.00 | 23.02 | 21.91 |
| 7.88 | 7.18 | 7.79 | 7.16 |
| 6.53 | 5.15 | 5.43 | 3.82 |
| 14.41 | 12.33 | 13.22 | 10.98 |
| 5.63 | 13.67 | 9.80 | 10.93 |
| 1.70 | 2.20 | 1.17 | 0.78 |
| 3.93 | 11.47 | 8.63 | 10.15 |
| 0.74 | 0.04 | 0.49 | 0.37 |
| 4.67 | 11.51 | 9.12 | 10.52 |
| 2.51% | 3.47% | 1.68% | 1.43% |
| 0.95 | 0.81 | 0.87 | 0.95 |
| 1.02 | 0.97 | 0.76 | 0.92 |
| 0.71 | 0.29 | 1.55 | 1.77 |
| 5.19 | 5.54 | 4.86 | 5.07 |
| 0.31 | 0.16 | 0.50 | 0.49 |
| 0.88 | 0.49 | 0.13 | 0.22 |
| 2.02 | 2.14 | 1.83 | 0.89 |
| 1.58 | 2.75 | 0.07 | 0.12 |
| 1.16 | 2.86 | 0.32 | 0.23 |
| 5.95 | 8.40 | 2.85 | 1.95 |

SUPPORTING SCHEDULES - SALES = 100%

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| FACTORY PAYROLL | | | | |
| Salaries - executive | 1.67% | 1.89% | 2.25% | 2.13% |
| Direct wages | 17.94 | 16.28 | 16.56 | 14.90 |
| General factory salaries and wages | 2.20 | 2.10 | 1.36 | 1.18 |
| Packing, shipping and delivery wages | 0.81 | 0.50 | 1.03 | 0.53 |
| Payroll taxes | 1.74 | 1.48 | 1.69 | 1.43 |
| Employee benefits | 2.15 | 2.34 | 2.08 | 1.16 |
| TOTAL FACTORY PAYROLL | 26.51 | 24.59 | 24.97 | 21.33 |
| FACTORY EXPENSES | | | | |
| Fixed Expenses | | | | |
| Depreciation - real estate | 0.37 | 0.18 | 0.28 | 0.21 |
| Depreciation - other | 3.39 | 2.96 | 2.76 | 3.83 |
| Taxes - real estate | 0.23 | 0.11 | 0.16 | 0.21 |
| Taxes - other | 0.17 | 0.17 | 0.20 | 0.22 |
| Insurance | 0.36 | 0.30 | 0.31 | 0.29 |
| Building rent | 0.92 | 1.42 | 0.97 | 0.58 |
| Utilities - heat, light, etc. | 1.32 | 1.16 | 1.17 | 1.35 |
| Equipment rental | 0.41 | 0.36 | 0.88 | 0.18 |
| Total Fixed Expenses | 7.17 | 6.66 | 6.73 | 6.87 |
| Other Expenses | | | | |
| Factory supplies and expense | 2.26 | 2.02 | 1.81 | 1.98 |
| Packing, shipping and delivery expense | 1.06 | 0.93 | 0.98 | 0.69 |
| Repairs and maintenance | 1.58 | 1.74 | 1.58 | 1.75 |
| Other factory expenses | 0.71 | 0.62 | 0.79 | 0.11 |
| Total Other Expenses | 5.61 | 5.31 | 5.16 | 4.53 |
| TOTAL FACTORY EXPENSES | 12.78 | 11.97 | 11.89 | 11.40 |
| ADMINISTRATIVE EXPENSES | | | | |
| Salaries - executive | 2.04 | 1.60 | 2.08 | 1.86 |
| Salaries - office | 1.88 | 1.49 | 1.75 | 1.12 |
| Payroll taxes | 0.23 | 0.20 | 0.25 | 0.22 |
| Employee benefits | 0.36 | 0.30 | 0.48 | 0.19 |
| Bad debts | 0.50 | 0.30 | 0.70 | 0.52 |
| Office supplies and expenses | 0.43 | 0.48 | 0.37 | 0.22 |
| Professional fees | 0.39 | 0.53 | 0.54 | 0.48 |
| Taxes - business | 0.10 | 0.09 | 0.13 | 0.18 |
| Telephone | 0.41 | 0.40 | 0.38 | 0.47 |
| Other administrative expenses | 1.24 | 1.26 | 0.86 | 0.55 |
| TOTAL ADMINISTRATIVE EXPENSES | 7.58 | 6.65 | 7.54 | 5.81 |
| SELLING EXPENSES | | | | |
| Salaries - executive | 0.94 | 1.40 | 1.24 | 0.90 |
| Salaries and commissions - salesmen | 3.95 | 2.67 | 3.88 | 3.47 |
| Salaries - sales office clerical | 0.61 | 1.01 | 0.40 | 0.27 |
| Payroll taxes | 0.26 | 0.31 | 0.31 | 0.27 |
| Employee benefits | 0.32 | 0.50 | 0.31 | 0.14 |
| Advertising | 0.33 | 0.33 | 0.26 | 0.08 |
| Travel and entertainment | 0.82 | 0.50 | 0.69 | 0.86 |
| Other selling expenses | 0.77 | 1.59 | 0.53 | 0.21 |
| TOTAL SELLING EXPENSES | 8.00 | 8.31 | 7.62 | 6.20 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 1.80% | 1.00% | 1.24% | 1.08% |
| 17.35 | 14.10 | 11.41 | 12.95 |
| 1.48 | 1.00 | 1.73 | 1.80 |
| 0.87 | 0.64 | 1.22 | 1.24 |
| 1.67 | 1.47 | 1.22 | 1.10 |
| 2.68 | 2.01 | 2.69 | 3.11 |
| 25.85 | 20.22 | 19.51 | 21.28 |
| 0.37 | 0.40 | 0.84 | 1.18 |
| 3.09 | 2.67 | 2.72 | 3.09 |
| 0.17 | 0.24 | 0.25 | 0.26 |
| 0.17 | 0.15 | 0.05 | 0.06 |
| 0.30 | 0.32 | 0.33 | 0.29 |
| 0.97 | 0.72 | 0.06 | 0.04 |
| 1.40 | 1.49 | 0.98 | 0.92 |
| 0.39 | 1.71 | 0.09 | 0.06 |
| 6.86 | 7.70 | 5.32 | 5.90 |
| 1.99 | 1.96 | 2.14 | 2.86 |
| 0.87 | 0.80 | 2.14 | 1.86 |
| 1.81 | 1.74 | 1.80 | 1.34 |
| 0.56 | 0.38 | 0.36 | 0.37 |
| 5.23 | 4.88 | 6.44 | 6.43 |
| 12.09 | 12.58 | 11.76 | 12.33 |
| 2.32 | 1.89 | 1.99 | 2.17 |
| 2.16 | 2.90 | 1.90 | 1.26 |
| 0.31 | 0.36 | 0.21 | 0.16 |
| 0.50 | 0.59 | 0.51 | 0.41 |
| 0.36 | 0.03 | 0.16 | 0.17 |
| 0.35 | 0.35 | 0.59 | 0.75 |
| 0.30 | 0.26 | 0.81 | 0.86 |
| 0.16 | 0.14 | 0.13 | 0.10 |
| 0.31 | 0.18 | 0.42 | 0.48 |
| 1.11 | 0.48 | 1.07 | 0.80 |
| 7.88 | 7.18 | 7.79 | 7.16 |
| 1.01 | 0.71 | 1.43 | 1.85 |
| 2.99 | 2.53 | 1.98 | 0.61 |
| 0.48 | 0.54 | 0.19 | 0.10 |
| 0.23 | 0.27 | 0.17 | 0.07 |
| 0.31 | 0.23 | 0.47 | 0.34 |
| 0.26 | 0.10 | 0.13 | 0.16 |
| 0.49 | 0.25 | 0.70 | 0.53 |
| 0.76 | 0.52 | 0.36 | 0.16 |
| 6.53 | 5.15 | 5.43 | 3.82 |

BALANCE SHEET

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash | 4.27% | 5.91% | 5.61% | 8.62% |
| Receivables | 34.26 | 38.22 | 33.02 | 25.76 |
| Inventories | 14.06 | 13.10 | 18.76 | 18.80 |
| Other current assets | 2.77 | 5.22 | 4.52 | 7.05 |
| TOTAL CURRENT ASSETS | 55.36 | 62.45 | 61.91 | 60.23 |
| FIXED ASSETS | | | | |
| Real estate | 13.74 | 6.15 | 10.09 | 11.31 |
| Less: Accumulated depreciation | 3.63 | 2.05 | 2.32 | 2.14 |
| | 10.11 | 4.10 | 7.77 | 9.17 |
| Machinery and equipment | 67.39 | 62.43 | 60.29 | 55.21 |
| Less: Accumulated depreciation | 36.77 | 35.23 | 34.81 | 29.42 |
| | 30.62 | 27.20 | 25.48 | 25.79 |
| Other fixed assets | 6.46 | 9.97 | 4.71 | 7.89 |
| Less: Accumulated depreciation | 3.69 | 5.70 | 2.67 | 4.42 |
| | 2.77 | 4.27 | 2.04 | 3.47 |
| NET FIXED ASSETS | 43.50 | 35.57 | 35.29 | 38.43 |
| OTHER ASSETS | 1.14 | 1.98 | 2.80 | 1.34 |
| TOTAL ASSETS | 100.00 | 100.00 | 100.00 | 100.00 |
| LIABILITIES AND EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Notes payable | 10.22 | 6.91 | 9.63 | 4.67 |
| Accounts payable | 13.52 | 15.08 | 18.58 | 13.14 |
| Other current liabilities | 10.64 | 6.32 | 8.80 | 10.87 |
| TOTAL CURRENT LIABILITIES | 34.38 | 28.31 | 37.01 | 28.68 |
| LONG-TERM LIABILITIES | 28.60 | 17.40 | 25.76 | 15.07 |
| TOTAL LIABILITIES | 62.98 | 45.71 | 62.77 | 43.75 |
| SHAREHOLDERS' AND PROPRIETORS' EQUITY | 37.02 | 54.29 | 37.23 | 56.25 |
| TOTAL LIABILITIES AND EQUITY | 100.00 | 100.00 | 100.00 | 100.00 |

BALANCE SHEET RATIOS

| | | | | |
|---|---|---|---|---|
| CURRENT RATIO | 1.61 | 2.21 | 1.67 | 2.10 |
| QUICK RATIO | 1.20 | 1.74 | 1.17 | 1.44 |
| TOTAL LIABILITIES TO EQUITY | 1.70 | 0.84 | 1.69 | 0.78 |
| LONG-TERM LIABILITIES TO EQUITY | 0.77 | 0.32 | 0.69 | 0.27 |
| ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT | 0.55 | 0.56 | 0.58 | 0.53 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| 4.02% | 2.48% | 5.62% | 5.23% |
| 32.83 | 36.30 | 19.34 | 22.35 |
| 17.79 | 18.59 | 22.80 | 13.04 |
| 4.07 | 6.50 | 3.83 | 1.86 |
| 58.71 | 63.87 | 51.59 | 42.48 |
| 10.13 | 13.87 | 21.49 | 22.29 |
| 3.81 | 2.85 | 4.39 | 6.07 |
| 6.32 | 11.02 | 17.10 | 16.22 |
| 67.82 | 51.44 | 49.08 | 65.84 |
| 37.74 | 29.36 | 26.93 | 35.94 |
| 30.08 | 22.08 | 22.15 | 29.90 |
| 4.58 | 4.83 | 5.86 | 2.77 |
| 2.17 | 2.52 | 3.27 | 1.08 |
| 2.41 | 2.31 | 2.59 | 1.69 |
| 38.81 | 35.41 | 41.84 | 47.81 |
| 2.48 | 0.72 | 6.57 | 9.71 |
| 100.00 | 100.00 | 100.00 | 100.00 |
| 7.40 | 6.72 | 3.98 | 1.70 |
| 13.23 | 13.24 | 17.72 | 21.87 |
| 8.72 | 8.11 | 7.02 | 5.84 |
| 29.35 | 28.07 | 28.72 | 29.41 |
| 25.43 | 32.11 | 15.07 | 5.43 |
| 54.78 | 60.18 | 43.79 | 34.84 |
| 45.22 | 39.82 | 56.21 | 65.16 |
| 100.00 | 100.00 | 100.00 | 100.00 |
| 2.00 | 2.28 | 1.80 | 1.44 |
| 1.39 | 1.61 | 1.00 | 1.00 |
| 1.21 | 1.51 | 0.78 | 0.53 |
| 0.56 | 0.81 | 0.27 | 0.08 |
| 0.56 | 0.57 | 0.55 | 0.55 |

SIGNIFICANT FACTS

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| INVESTMENT | | | | |
| Average assets per employee - All employees | $ 43,016 | $ 38,541 | $ 44,031 | $ 64,169 |
| Average assets per factory employee (Excluding Executives) | 58,385 | 52,270 | 60,273 | 85,022 |
| Average net worth per employee - All employees | 16,077 | 22,962 | 17,633 | 35,852 |
| Average gross plant investment per factory employee (Excluding Executives) | 51,235 | 41,055 | 42,740 | 62,013 |
| Net worth percentage of fixed assets | 112.35% | 155.57% | 128.37% | 147.20% |
| EMPLOYEES | | | | |
| Percent factory - All employees | 78.40% | 78.30% | 78.28% | 81.39% |
| Percent administrative - All employees | 10.58 | 9.26 | 11.00 | 9.57 |
| Percent sales - All employees | 11.02 | 12.44 | 10.72 | 9.04 |
| SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES | | | | |
| Sales per employee - All employees | $ 80,941 | $ 188,133 | $ 82,519 | $ 105,667 |
| Sales per factory employee | 104,274 | 110,642 | 105,774 | 128,996 |
| Sales less material per factory employee | 62,846 | 68,821 | 59,184 | 68,723 |
| Sales per administrative employee | 920,894 | 1,176,247 | 932,191 | 1,347,472 |
| EXCLUDING EXECUTIVES | | | | |
| Sales per employee - All employees | 88,184 | 97,406 | 91,074 | 117,108 |
| Sales per factory employee | 110,257 | 118,650 | 113,290 | 139,263 |
| Sales less material per factory employee | 66,474 | 73,746 | 63,467 | 74,546 |
| SALES PER SALESMAN | 897,725 | 894,821 | 736,114 | 1,148,316 |
| SALES TO CURRENT ASSETS | 366% | 380% | 346% | 271% |
| PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES | | | | |
| Total payroll percentage of sales | 37.10% | 34.06% | 35.66% | 29.77% |
| Factory payroll percentage of gross plant investment | 64.17 | 78.90 | 80.27 | 44.55 |
| Payroll per employee - All employees | $ 29,544 | $ 29,251 | $ 27,896 | $ 28,504 |
| Payroll per factory employee | 26,968 | 27,087 | 24,772 | 24,897 |
| Payroll per administrative employee | 35,141 | 34,795 | 32,145 | 31,168 |
| Payroll per sales employee | 48,351 | 43,500 | 50,522 | 64,073 |
| PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES | | | | |
| Payroll per employee - All employees | $ 23,756 | $ 22,823 | $ 21,610 | $ 23,256 |
| Payroll per factory employee | 22,330 | 22,075 | 20,029 | 21,069 |
| Payroll per administrative employee | 19,147 | 18,140 | 15,953 | 16,033 |
| Payroll per sales employee | 40,581 | 32,060 | 42,587 | 53,492 |
| EXECUTIVE PAYROLL | | | | |
| Payroll per executive - All executives | 51,145 | 53,343 | 49,197 | 44,304 |
| Payroll per factory executive | 35,564 | 33,924 | 38,298 | 32,398 |
| Payroll per administrative executive | 64,099 | 76,695 | 58,107 | 56,302 |
| Payroll per sales executive | 54,556 | 67,957 | 62,114 | 78,871 |
| RECEIVABLES | | | | |
| Collection period | 66.4 | 60.2 | 61.9 | 63.1 |
| PROFIT | | | | |
| Gross profit percentage of sales | 21.40% | 25.87% | 20.96% | 24.36% |
| Average gross profit per factory employee | $ 24,077 | $ 30,732 | $ 24,090 | $ 33,490 |
| Income before taxes percentage of sales | 4.36% | 11.37% | 4.67% | 12.86% |
| Average income before taxes per employee | $ 3,842 | $ 10,106 | $ 4,424 | $ 13,537 |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| $ 40,965 | $ 53,107 | $ 43,647 | $ 38,819 |
| 55,526 | 70,992 | 59,247 | 46,796 |
| 17,654 | 23,081 | 23,542 | 25,580 |
| 43,688 | 49,178 | 43,732 | 42,172 |
| 129.32% | 106.92% | 195.51% | 143.00% |
| 78.53% | 78.84% | 80.94% | 86.43% |
| 12.64 | 10.70 | 11.59 | 9.54 |
| 8.83 | 10.46 | 7.47 | 4.03 |
| $ 84,571 | $ 107,329 | $ 83,137 | $ 77,455 |
| 108,773 | 138,245 | 106,874 | 91,069 |
| 62,145 | 81,558 | 58,306 | 50,529 |
| 929,457 | 1,854,365 | 748,102 | 830,403 |
| 92,171 | 113,405 | 89,899 | 83,469 |
| 114,828 | 143,717 | 111,902 | 93,582 |
| 65,554 | 84,833 | 61,065 | 51,848 |
| 878,027 | 1,209,045 | 330,877 | 257,584 |
| 387% | 320% | 432% | 513% |
| 36.16% | 30.25% | 28.36% | 28.24% |
| 82.42 | 58.43 | 51.05 | 45.70 |
| $ 29,748 | $ 32,473 | $ 23,794 | $ 21,794 |
| 26,761 | 27,726 | 20,151 | 18,638 |
| 35,673 | 56,436 | 33,202 | 32,274 |
| 50,833 | 57,637 | 50,689 | 56,817 |
| $ 22,491 | $ 24,819 | $ 16,669 | $ 14,678 |
| 21,401 | 22,357 | 15,278 | 14,348 |
| 18,969 | 31,347 | 17,326 | 15,117 |
| 35,962 | 49,537 | 29,662 | 25,916 |
| 57,739 | 66,148 | 55,303 | 58,739 |
| 42,596 | 40,827 | 37,943 | 26,723 |
| 78,060 | 117,367 | 67,415 | 60,359 |
| 69,008 | 91,435 | 59,004 | 73,873 |
| 57.6 | 65.2 | 38.5 | 42.1 |
| 20.04% | 26.00% | 23.02% | 21.91% |
| $ 23,861 | $ 38,488 | $ 27,347 | $ 21,132 |
| 4.67% | 11.51% | 9.12% | 10.52% |
| $ 4,202 | $ 12,552 | $ 7,321 | $ 7,874 |

RETURN ON INVESTMENT - PER $100 OF SALES

| | 21% TO 41% | | 41% TO 61% | |
|---|---|---|---|---|
| | ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| INVESTMENT | | | | |
| Current Assets: | | | | |
| Cash | $ 2.21 | $ 2.46 | $ 3.47 | $ 7.81 |
| Receivables | 17.69 | 16.35 | 16.17 | 16.50 |
| Inventories | 7.47 | 5.77 | 9.23 | 11.19 |
| Marketable securities | 0.34 | 0.73 | 1.03 | 3.28 |
| Other current assets | 1.15 | 1.81 | 1.83 | 1.61 |
| | 28.86 | 27.12 | 31.73 | 40.39 |
| Plant Investment: | | | | |
| Land and building | 8.20 | 3.35 | 6.17 | 8.17 |
| Machinery and equipment | 35.79 | 27.75 | 29.98 | 37.57 |
| Other fixed assets | 3.18 | 4.23 | 2.56 | 5.42 |
| | 47.17 | 35.33 | 38.71 | 51.16 |
| Non-Current Assets | 0.69 | 0.91 | 1.44 | 0.86 |
| TOTAL INVESTMENT | 76.72 | 63.36 | 71.88 | 92.41 |
| INVESTMENT TURNOVER PER $100 OF SALES | 130.34% | 157.83% | 139.12% | 108.21% |
| EARNINGS | | | | |
| Cost of Product | $78.60 | $74.13 | $79.04 | $75.64 |
| Selling Expenses | 8.00 | 8.31 | 7.62 | 6.20 |
| Administrative Expenses | 7.58 | 6.65 | 7.54 | 5.81 |
| | 94.18 | 89.09 | 94.20 | 87.65 |
| Income Before Interest, Other Income, and Taxes | 5.82 | 10.91 | 5.80 | 12.35 |
| RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME | 7.59% | 17.22% | 8.07% | 13.36% |

| 61% TO 81% | | 81% TO 99% | |
|---|---|---|---|
| ALL FIRMS | PROFIT LEADERS | ALL FIRMS | PROFIT LEADERS |
| $ 1.75 | $ 1.26 | $ 2.90 | $ 2.53 |
| 15.49 | 17.79 | 10.04 | 11.22 |
| 8.28 | 9.06 | 11.98 | 6.50 |
| 1.40 | 0.79 | 0.95 | 0.00 |
| 0.70 | 2.38 | 1.04 | 0.90 |
| 27.62 | 31.28 | 26.91 | 21.15 |
| 5.25 | 7.04 | 11.68 | 11.68 |
| 32.02 | 25.30 | 25.24 | 33.27 |
| 2.08 | 2.25 | 3.13 | 1.42 |
| 39.35 | 34.59 | 40.05 | 46.37 |
| 1.10 | 0.39 | 3.40 | 4.95 |
| 68.07 | 66.26 | 70.36 | 72.47 |
| 146.91% | 150.92% | 142.13% | 137.99% |
| $79.96 | $74.00 | $76.98 | $78.09 |
| 6.53 | 5.15 | 5.43 | 3.82 |
| 7.88 | 7.18 | 7.79 | 7.16 |
| 94.37 | 86.33 | 90.20 | 89.07 |
| 5.63 | 13.67 | 9.80 | 10.93 |
| 8.27% | 20.63% | 13.93% | 15.08% |

ABSOLUTE DATA

| | NUMBER OF PARTICIPATING FIRMS | AVERAGE FIRM REPORTING** TOTAL ASSETS | SALES OR VALUE OF PRODUCTION | TOTAL INCOME |
|---|---|---|---|---|
| TOTAL - ALL FIRMS | 102 | $ 5,876,000 | $10,950,000 | $ 596,000 |
| TOTAL - PROFIT LEADERS* | 19 | 7,235,000 | 13,917,000 | 1,669,000 |
| BY SIZE OF FIRM | | | | |
| ALL FIRMS | | | | |
| $0-$1,500,000 | 6 | 533,000 | 1,059,000 | 33,000 |
| $1,500,000-$5,000,000 | 35 | 1,704,000 | 3,616,000 | 152,000 |
| $5,000,000-$10,000,000 | 28 | 4,088,000 | 7,220,000 | 347,000 |
| $10,000,000-$20,000,000 | 23 | 7,988,000 | 14,504,000 | 536,000 |
| Over $20,000,000 | 10 | 23,826,000 | 44,827,000 | 3,322,000 |
| PROFIT LEADERS | | | | |
| $1,500,000-$5,000,000 | 6 | 1,462,000 | 3,192,000 | 350,000 |
| $5,000,000-$10,000,000 | 4 | 5,067,000 | 7,156,000 | 883,000 |
| $10,000,000-$20,000,000 | 3 | 7,140,000 | 15,013,000 | 1,457,000 |
| Over $20,000,000 | 5 | 17,344,000 | 34,199,000 | 4,324,000 |
| BY PRODUCT SPECIALTY | | | | |
| ALL FIRMS | | | | |
| Commercial and Advertising | 65 | 6,919,000 | 12,987,000 | 756,000 |
| Magazine and Periodical | 6 | 4,762,000 | 9,691,000 | 127,000 |
| Newspaper | 8 | 1,792,000 | 3,819,000 | 239,000 |
| Book | 11 | 6,212,000 | 11,285,000 | 507,000 |
| No Predominant Product | 10 | 2,992,000 | 5,008,000 | 246,000 |
| PROFIT LEADERS | | | | |
| Commercial and Advertising | 13 | 7,897,000 | 16,533,000 | 1,994,000 |
| Newspaper | 2 | 1,872,000 | 3,656,000 | 420,000 |
| Book | 2 | 10,716,000 | 14,458,000 | 1,726,000 |
| BY PERCENTAGE OF WEB SALES | | | | |
| ALL FIRMS | | | | |
| 21% To 41% | 43 | 4,971,000 | 9,059,000 | 423,000 |
| 41% To 61% | 29 | 6,431,000 | 11,525,000 | 761,000 |
| 61% To 81% | 24 | 7,600,000 | 15,091,000 | 755,000 |
| 81% To 99% | 5 | 2,934,000 | 5,544,000 | 477,000 |
| PROFIT LEADERS | | | | |
| 21% To 41% | 7 | 4,417,000 | 9,180,000 | 1,042,000 |
| 41% To 61% | 6 | 9,656,000 | 17,152,000 | 2,163,000 |
| 61% To 81% | 3 | 13,889,000 | 27,766,000 | 3,349,000 |
| 81% To 99% | 3 | 2,316,000 | 4,653,000 | 462,000 |

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of its size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

| Firm | Sales | Factory Payroll | % of Sales: Firm's Ratio Factory Payroll | % of Sales: PIA Ratio Factory Payroll |
|---|---|---|---|---|
| A | $ 200,000 | $ 60,000 | 30.0% | |
| B | 500,000 | 100,000 | 20.0 | |
| C | 8,000,000 | 975,000 | 12.2 | |
| | | | 62.2% divided by 3 = 20.7% | |

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.

** Unlike the ratios shown in this book, these figures are arithmetic averages.

## HOW DO YOU COMPARE IN NORTH AMERICA?

The Individual Company Computer Printout is a fundamental part of the PIA Financial Ratio Study. It is a detailed, well-organized presentation of key financial information that encompasses every facet of your printing business. It contains data specific to your company that are not available in the published volumes of the study. The Individual Company Computer Printout, designed with you, the busy printing executive in mind, is a concise presentation of:

- Your firm's operating statement;
- Your firm's balance sheet;
- Supporting schedules for your firm's income statement and balance sheet; and
- Your firm's Return on Investment.

In addition:

- Your firm's financial data are expressed in dollars and ratio form;
- The ratios of your printing firm are compared side by side with the ratios of all other ratio study participants and "profit leaders," based on both sales revenue and value added. Ratios of survey participants and "profit leaders" that produce the same products and use the same manufacturing process are also presented for your immediate comparison;
- Using the same presentation format described in the previous item, the ratios of your printing firm are also compared side by side with the ratios of all survey participants and "profit leaders" that are approximately the same size in terms of sales; and
- Finally, "significant facts" statistics are presented to help you gauge where your company stands relative to industry "profit leaders" and the U.S. and Canadian printing industries as a whole.

Because of the detail that the Individual Company Computer Printout contains, it can quickly help you identify those areas and operations of your business that are running efficiently and those that are not. You'll be able to ascertain the seriousness of problems and how much corrective action is necessary. The bottom line is that you can purchase all of these data for a small fraction of what you would have to pay if you generated a similar analysis from scratch.

If you are part of the 1985 database, and have not already done so, I urge you to make the investment. If you are not part of the database, please consider participating in the 1986 PIA Financial Ratio Study and availing yourself of this particular service.

William A. Rose, II
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